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SOCIOLOGY APPLIED TO POLITICS.

SOCIAL THEORIES AND RUSSIAN CONDITIONS.

In the latter years of our century sociologists have not only elucidated various historical phenomena, but have also endeavored to apply the sociological propositions to politics. Such an attempt has been made by Dr. Gumpłowicz, Professor at the University of Graz in Austria.\* Without entering into a discussion of his sociological convictions, more fully treated in another of his works on sociology, I wish to criticise the part applied to the political questions. It seems to be all the more called for, because his pamphlet contains ideas that are now widely spread among European readers and which will gain further currency through a proposed French translation.

In the practical part of his pamphlet, Professor Gumpłowicz endeavors to prove that politics must become a science, based on natural laws, and not consist only of the formulation of desiderata for the actions of rulers, and of the estimation of their doings determined by the criteria of self-interest. Political practice that does not recognize these laws, leads to an aimless dissipation of social forces.

\* "*Sociologie und Politik*," von Ludwig Gumpłowicz. Leipzig, 1892.

For instance, in Austria from the year 1848 it was attempted by means of an ideal political doctrine to transform Austria, composed of "lands and kingdoms," having an altogether different historical past, into one German state. This transformation could not be effected, notwithstanding the greatest and most costly efforts; these attempts were immoral and unwise, because living nationalities cannot be oppressed and crushed in a civilized state.\* Evidently the author rejects human interference with natural laws and finds a slow exploitation of feeble groups, and their prolonged starvation from exhaustion more suitable to civilization. We find also this care for living nationalities completely opposed to all his statements in sociology, to the impulse of self-preservation leading to conquests for exploitation, to the identity of social laws in a primitive horde and in civilized states, to the wastefulness of nature with living organisms, etc., etc.

After these preliminary remarks, the author proceeds to treat the most important contemporary European questions. We can restrict our remarks to two, viz., the relation of Western Europe to Russia, and the relation of the Germans to the Slavonic peoples.

Professor Gumpłowicz is convinced that the fundamental principle of European politics must be the recognition that Europe is divided into two worlds, profoundly different one from the other. Though Western Europe consists of several states, it presents a certain civilized whole that is opposed to Russia. Each of these worlds is seeking to enlarge its limits, and shock is inevitable. Because Russia, in consequence of its economic riches and the vastness of its territory, appears as an enormous force which tends naturally to grow, Western Europe must profit by all possible means of resistance to Russia's efforts to expand. Russia, as a continental state, is trying to reach the sea, and seize Constantinople; therefore, Europe, and especially the most

\* Pp. 103-13.

endangered nations, Germany and Austria, ought to strive to weaken the influence of Russia in Bulgaria. It is evident, says Professor Gumplowicz, how deeply Bismarck was mistaken in saying "that the interests of Germany are not at all involved in Bulgaria!" Quite the contrary, says Professor Gumplowicz; a slice of Bulgaria will strengthen Russia and modify the chances of the whole of Western Europe in the struggle. The author is so profoundly convinced of the truth and persuasiveness of his arguments that he even expects a union of the interests of France and Germany against Russia, and presumes the possibilities of a defensive and aggressive alliance! The aim of such an alliance of Western Europe ought to be the separation from Russia of Bulgaria, Roumania, Poland, Finland. The purpose of the civilization of Western Europe must be to fence itself off from Asiatic barbarism and despotism, and to secure individual liberty, self-determination and equality\*

As the author does not define exactly the distinguishing features between the two worlds, we shall endeavor to do so for him. A despotism formerly signified a state, in which the will of the despot was exclusively considered as the law, and the direction, prescribed by him, determined the whole scope of social life.† Now it is acknowledged that such states do not exist except for very short periods, and that a despotism of this kind must be regarded as a disease of a state and not as its permanent form. The Pharaohs of Egypt and the great Kings of Persia were probably much more limited by customs and manners, and especially by religion, than are the ministers of her Majesty, the Queen of England, by law. It is very well known that in Russia the laws have been published from the very beginning of the state. Probably in the thirteenth century the private juridical work, called "*Russkaya Pravda*" (Russian Law), and containing principally the decisions of the courts, took

\* Pp. 113-29.

† "*Encyclopaedie der Staatswissenschaften.*" von Robert von Mohl. Second edition. Tübingen. § 15, 40-50.

its final shape. In the years 1497 and 1550 more extensive laws, designed to guide the activity of the judges (*Sudebnik*) were edited by the government. In 1648 appeared "*Ulozhenie*," or a legal code, settling the organization of the whole empire. From the time of Peter the Great, a long series of committees began the codification of the Russian laws. This work was completed in 1832, when, after more than a hundred years of labor, a complete collection of the laws of the Russian Empire, in fourteen volumes, was published. This great code embraces a vast field of legal, political and social relations, and the innumerable multitude of separate laws on different objects cannot be mentioned here for want of space; but the code shows that the order of social life is based on legal rules and not on the will of the emperor, and that the sphere of law was long ago separated from the sphere of customs, manners and religion. I add this remark because the characteristic feature of the old monarchies of the East was a mixture of morality, religion and law, so that the activity of individuals was determined not by legal but by moral and religious principles.

If the foregoing definition of a despotism does not apply to Russia, if the legal element was evident in her history from the very first, the application of the term "despotism" to her is only explicable in consequence of the lack of popular participation in her government. We shall examine how far this peculiarity can be acknowledged as a characteristic, as if it were innate in the Russian people. I employ the word "innate," because it is not worth while speaking about a peculiarity, when it is a transient and not essential quality.

First, we may observe in Western Europe enormous fluctuations in the popular participation in government. During long periods it was not known at all. Besides that, its character was extremely changeable: army, aristocracy, different classes, political parties, had in turn an influence in government. Now, political parties often form an artificial



majority of popular representatives and in this manner legally exploit the people. It can be said without great exaggeration that continental Europe has not yet assimilated this form of government, transplanted not very long ago from England. The instability of ministers, the abuses during elections, the collapse of parties, the corruptibility of members, and the scandalous scenes in parliaments, are obvious proof. Professor Gumplowicz's native land (Austria) seems, in both of its parts, to be very far from a true parliamentary "régime." In Austria proper the majority of deputies, artificially produced, is only a means for the exploitation of the Slavonic majority by a German minority; in Hungary the parliament consists almost exclusively of Magyars who form hardly one-half of the whole population—a result which is reached by brute force. It is evident that it is a little hazardous to speak of liberty, self-determination, and equality of the individuals, as a characteristic of Western Europe.

Passing on to Russia, we find during the early period of Russian political life the greatest participation of the people in the government. From the ninth to the second half of the fifteenth century, the Russian dukes and grand-dukes were little more than the executive organs of *véche*, the great assembly in which the people were wont to gather. These popular assemblies were remnants of the primitive Aryan social organization. The great difference between Russian parliaments and those of Western Europe was, that the latter were much more aristocratic in consequence of the early differentiation of Western society. Such a republican form of government prevailed in Northern Russia, Novgorod and Pskov, until the absorption of these city-republics by the grand-dukes of Moscow. The power of these grand-dukes grew little by little, principally under the influence of Byzantine ideas, yet the participation of the people in the government did not disappear, but took another shape. Ivan the Fourth, the Terrible, of odious

memory, convoked about the year 1548 the first assembly of deputies in order to free himself from the predominance of the *boyars*, the Russian nobility, formed from the most heterogeneous elements. This nobility did not resemble the Western aristocracy, as it was not pervaded by a class-spirit; it was not a political body endowed by definite laws, but a class consisting of different families, having each some peculiar "honor" (or distinction), deserved by the grandfathers and fathers of the family. Each family was, as in old Rome (*jus imaginum*), a separate whole with a peculiar political and social position, according to the services of its members to the state. No political bond united the aristocratic families together. Such an origin of parliaments in Russia caused the whole population, and not merely the clergy, nobility and citizens, as in the West, to take part in the government. The assemblies had much influence on administration and legislation. The code of 1648 was examined by deputies. During the years 1613-1615 the assembly practically governed the state, the czar being young and inexperienced, and the times disturbed. This parliamentary régime lasted in Russia till the second half of the seventeenth century. The question now arises as to what caused the disappearance of the national representation, whether it was inborn antipathy or external influences.

The decision of political questions by the whole people is a wide-spread phenomenon. The appearance of national deputies instead of the whole people is a necessary consequence of the growth of larger political units and of the diminution of interest in political affairs. So far, the facts above described are quite intelligible. We must delve deeper to understand the changes in the last half of the seventeenth century.

The deification of the state came to Russia from Byzantium with the Greek church; and in this the Byzantine spirit fully preserved the ideals of ancient Greece. The idea that the grand-dukes are the representatives of

the state, and, therefore, absolute, was developed in Russia under the influence of the clergy very slowly; the invasions of the Mongols and continued wars with the Lithuanians and Poles, rendered the necessity of a strong government more imperious. But, notwithstanding all this, the czar was considered only as a living, visible representative of the state, which stood immensely above the czar and his people; both of whom were mere ciphers without the state. This pagan, classical idea received a new force from the intimate union of the church with the state; war was waged only with Mussulmans and Latins (Roman Catholics) and was in the eyes of clergy and people a sacred war. Thus the state enslaved all society. The czar is the ruler of the state, appointed by the finger of God and consecrated by anointment with the sacred oil, but his will should not predominate, should not be even evident, because he is only the organ of a higher force, of the interests of the state; when the latter demand it, he could be crushed as well as the humblest of his servants. This inference from the Byzantine political conceptions is not so prominent in Russia, but appears very clearly in Byzantium. This idea of sovereign power prevented the institution of an exact order of succession to the Byzantine throne. In Russia this deification of the state had an enormous influence on the origin of the classes. In Moscow classes appeared as a consequence of the diversity of obligations to the state. Every member of society was expected to serve the state, but while some defended it on the fields of battle, others brought to it their manual labor and furnished revenues to the state treasury. At the beginning (in the fifteenth and sixteenth centuries) these classes were almost equal; in the archives we sometimes find requests of the lower nobility (*deti boyarski, dvorjane*) for permission to remain as peasants in their village, because it is too oppressive for a poor *dvorjanin* to serve in the army. But this petition is never granted; the state subordinates the different

social groups to a severe control. These diverse social groups are called in Moscow "*cini*;" they must agree with each other and all of them with the czar on the question of how the interests of the state may be most conveniently promoted. Thus we see that the parliaments in Moscow were a necessary consequence of the political ideal, which inspired all Russian society, from the czar to his humblest subject. The will of the czar gave juridical force to the acts of government, but these acts were the results of a most profound knowledge of the real conditions of the state, which could be obtained exclusively from the *cini*. To all this must be added that this strange, singularly developed society, was extremely illiterate. The struggle with wild nature in a cold climate, continual warfare with barbarous nations made this society energetic and intelligent, but the light of science and industry was almost unknown. The mind was developed only in the practice of life. Therefore good counsel could be expected from the lowest citizen, since he also belonged to a certain group which bore certain burdens of the state, occupying itself specially with a certain kind of labor. This social condition began little by little to change in the seventeenth century. In consequence of the closer intercourse with the Poles, who were passionate admirers of the Western civilization, the court and the higher nobility gradually became convinced that the Muscovite régime must be modified in a direction bringing it nearer to the Western pattern. This conviction penetrated the more readily into the Russian higher circles, as one of the most fundamental tenets of Western civilization was the preponderance of the leading classes over the lower orders. In such an ideal the parliaments, consisting of the deputies of the whole people, were out of place for some time; their conservatism would lead them to make the most stubborn opposition to these innovations, which in the eyes of the people were not only hurtful but even godless (they came from the Latins, the avowed foes of the Orthodox church).

Thus the abolition of Russian representation was an inevitable result of the Western influence.

This explanation finds further confirmation in the fact that Western science and industry by degrees gained a foothold in Russian society. As the industries were mostly represented by strangers of different nations, sciences and political ideas spread in the richer circles which had more frequent intercourse with the Western Europeans. Thus a chasm was produced between the higher classes and the people which was before quite unknown in Moscow. As the nobility was more and more educated, *i. e.*, penetrated by the Western social and political ideas, it saw in itself the only depository of culture, the only class which might with utility be consulted by the state. As the higher strata, however, served the state personally, and the lower ones by manual labor and payments to the treasury, the idea could very easily arise that the nobility even without special assemblies, might give its counsel in manifold occasions during its personal service. Finally, the Western influence coincided with the time, when the "police-state" (*Polizei-staat*) prevailed in Europe. According to the ideal of such a state, the governors, as a highly educated class, should watch every step of the people in the people's interest, just as a governess watches a child. Popular assemblies were not in fashion during the eighteenth century and, strange as it may seem, even the Convention of the great French Revolution was permeated by the idea that the people did not know their own interests. The Russian government and the ruling classes had much of these tendencies of European thought. All these changes in thought tended to weaken and even destroy the old remnant of the popular representation.

The change in ideas of government under Western influences corresponded to the changes in society. As we have seen, in Moscow the will of the czar could not be questioned, because he himself was only an



organ of the state. Therefore the wishes of the population and principally of the clergy, had a great influence with the czar. He was accessible to all his subjects and the petitions to the throne from towns, cities, provinces, corporations, and even individuals had an enormous importance. It was a species of written representation of popular wants and necessities, not yet fully appreciated even by the best Russian historians. The accessibility of the throne was rooted in the idea, that the czar himself was destined by God for the well being of society, and that he was only the first servant of the state (the profound conviction so often expressed by Peter the Great). There was no place in these conceptions for a gap between the sovereign power and the people. But this idea was quite opposed to the Western ideas, the evolution of which was the following: The king was anciently a person designated by God to rule the common people with the help of the clergy and the nobility, according to eternal laws, given by the Creator; afterward, when feudal society fell to pieces, he was the representative of the cultivated classes of society, fit to rule the people according to the requirements of reason (*absolutisme éclairé*). In both cases a minority, having at its head a king, ruled a great majority and, in the common course of human affairs, exploited the latter. Evidently no great confidence could arise between the governors and the governed, and, therefore, we see in the eighteenth century a profound distrust between the sovereign powers and their subjects arising in the European nations. This latent feeling evidenced in the seventeenth and eighteenth centuries by a large increase of actual and secret police, broke out at the end of the century in the great French Revolution. This want of confidence between throne and people, together with the means of governing (actual and secret police), invented by the Western spirit, predestined to "liberty, self-determination and equality of individuals," was transplanted to Russia for the coercion of Asiatic barbarism of

the Russian people, as was said in the eighteenth century by the Western civilizers, who came to Russia.

It might be argued, however, that our remarks relate to the past and not to the present, and that we acknowledge the change in Russian social relations, and that now, possibly even under Western influence, the state has assumed the form of a despotism, and society itself is altogether opposed to "self-determination." To resolve this question, we must turn to contemporary Russian society and begin with the '40's of our century. Although the sojourn of the Russian army in France after the Napoleonic wars made many officers the passionate admirers of French political ideas and this evoked a military insurrection, it did not engender social opinions, more or less independent of the West. An original social party first arose under the influence of German idealistic philosophy (Hegel). The "Slavophiles" saw the national Russian ideal in the Muscovite state and considered the Western influences as an intrusion of foreign thoughts, hurtful to the development of the Russian national spirit. They took for granted that Western Europe had arrived at the highest point of its civilization, and that it must necessarily fall, because the ideas, which gave it vigor, are withering. The Roman ideas and the Catholic church, permeated by them, had in their view materialized Western society and the result was on the one hand an unparalleled material progress and comfort, but on the other a fall in the direction toward the ideal good and even a failure to understand this good. This ideal good, at which the old Greek philosophy continually aimed, was preserved in the Orthodox church. It consisted in mutual love of the whole of humanity. Western society, on the contrary, pursuing its material interests, must necessarily live in a state of continual war. This spirit, inherited from ancient Rome, appeared very clearly in the ecclesiastical organization. While the Catholic church took the form of a monarchy, so convenient in the struggle for power over the world, and therefore declared

the pope a representative of Jesus Christ on earth, the Orthodox church took for its foundation the Saviour's words: "Where two or three are gathered together in my name, there am I in the midst of them." (Matthew, xviii. 20.) Hence arose the preponderance of the council over persons in the Orthodox church, the most evident difference between the two churches, and this in turn led to the tenet that the Orthodox church has no visible chief, but only an invisible one, Jesus Christ. According to the profound conviction of the Slavophiles, the East, notwithstanding its want of culture and its poverty, conceals in its bosom a virtue unknown or at least forgotten by the West, namely, the craving for an ideal. In politics the Slavophiles admitted the importance of a national council of the whole people, which should stand side by side with the czar and, not limiting his power, should make him acquainted with the popular wishes, criticise the measures already passed, and judge of the measures proposed. In economics, they preached an almost prohibitory tariff, the most energetic intervention of the state and most vigorous protection of the laboring classes against exploitation. Finally, in foreign politics they required the most active assistance to all Slav nations and abstinence from all Western political struggles. They believed that the unlimited craving for material progress must necessarily bring Western society to revolution and anarchy, to the uprising of all the degraded, feeble, indigent, indolent, and that only then would the time come for Russia to establish order on the eternal principles of justice and mutual love.

The formation of this powerful and flourishing party, having great influence in politics, foreign and home affairs, has brought about a closer union of the admirers of the West and engendered "the Western party" (*zapadniki*.) Their endeavor was to transplant into Russia all the newest Western opinions, as if they were the newest scientific truths; they called for parliaments in the same form as in

England or France; they insisted on the system *laissez faire, laissez passer*, so fashionable at that time in Europe; they were passionate partisans of tariffs on the basis of free trade. The Western nations naturally sympathized with them, and notwithstanding their great love "of liberty, self-determination and equality of individuals," they did not find it too prejudicial to their honor to denounce the Slavophiles on the one hand to the Russian government, as radicals, socialists, nihilists, and on the other to the public opinion of Europe as passionate conservatives, avowed foes of all progress, barbarians who wished to establish despotism in Europe and to convert all European nations by force to the Orthodox church.

In the course of time these two parties lost their sharply defined peculiarities, but at the bottom remained the same. It is not difficult to see that they are based on different philosophical systems. We find in the Slavophiles much of the idea of the German historical school about the national spirit vivifying the whole evolution of every nation, and some ideas from Hegel, who dwelt upon the predestination of nations in history according to the logical development of thought. In the eyes of Slavophiles, the Slavonic world ought to reconcile two antitheses: the liberty of individuals, inborn in Teutonic peoples; and order, represented by Roman law, Roman political ideas, the Catholic church. The Western party, on the contrary, founded their statements on the assumption that every people passes in its growth through the same stages of evolution, that it is very proper to transplant institutions from an older nation, into a country, taking its first steps in civilization; and that progress can in this manner be artificially accelerated. Considering both parties we find that in both of them national representation finds a prominent place, and hence it cannot be said of Russian society that it has an inborn tendency to despotism.

Passing on to the government and beginning with our

century we note that Alexander I. was animated by very progressive ideas, having been educated by a Swiss who instilled in him an admiration for the Swiss republic. He gave a parliament to Poland, annexed to Russia by the treaty of Vienna, and was not averse to having the same in Russia; but Napoleon's wars, "the Holy Alliance," with its extremely conservative tendencies, and Metternich, the omnipotent Austrian minister, kept him from executing his plan. The military insurrection of the year 1825 had an enormous influence on his successor, Nicholas I., and with the general course of European thought at that time, turned him to the support of the conservative powers in Europe. Although Nicholas' reign was an iron discipline for Russia, the czar, feeling that legality only could preserve him from the reproach of an arbitrary use of the sovereign power, laid great stress on the observation of legal rules in the whole administration. It must be, however, acknowledged that at the time, even in the opinion of the Slavophiles, a parliament in Russia would have been dangerous for the following reasons: The social class, which had served the state on the fields of battle had become under Western influence a nobility in the Western sense of the word, *i. e.*, a leading and ruling stratum of society. Simultaneously the relations of the laborers to the nobility became transformed. When, at the end of the sixteenth century, bondage was instituted in Russia, it was not at all a degradation for the laborers and a prerogative to the *dvorjane*, but only a form of payment to the state for military service. The peasants, serving the state by manual labor, from the end of the sixteenth century, devoted their manual labor to the military class in order that it might more correctly and conveniently fill the army. As I have said, military service and its equivalent, gratuitous labor, were of so little value that often a poor *dvorjanin* preferred to be a peasant. But these conditions changed altogether under Peter III. and Catherine II. The latter agreeing entirely with the views of



Montesquieu, that the nobility is the fundamental support of the throne and monarchy, confirmed the law of Peter III. in 1785, which liberated the *dvorjane* from obligatory military service, and thus turned them into a nobility and their peasants into serfs, obliged by their labor to sustain the leading class in order that it might develop itself intellectually. Hence if there had been a parliament in Russia in the reign of Nicholas I., it would have been composed almost exclusively of nobles, and, therefore, the abolition of bondage would have been rendered, if not impossible, yet very difficult and very long deferred.

The great reforms of Alexander II. are yet in the memory of all. He was disposed to complete the emancipation of the serfs, the reforms in the administration of justice, the organization of self-government in provinces and cities with a re-establishment of the Russian national representation, when the thread of his precious life was violently broken. Alexander III., when yet heir to the throne, shared the ideas of the Slavophiles, and after his accession, during his whole reign, was a brilliant representative of their doctrines. The strengthening of the religious, moral and economic forces of his people, the protection of the laboring classes, in a word, the internal growth of Russia in all directions entirely absorbed him. He profoundly disliked all military undertakings and considered the conservation of peace as his most sacred obligation; a strong conviction of the holiness of the mission as an emperor gave him a great aversion to the frauds, so frequent in international intercourse, and filled his heart with benevolence toward all nations. The mistrust of Alexander III., as well as of not a few persons of the Russian ruling classes toward the parliamentary form of government can be well explained by two facts. First, we find among the most progressive and original European and American writers \*

\*Karl Marx with all the socialistic and anarchistic school, de Greef, Ward.

much skepticism in regard to popular representation *in its contemporary form*. While fifteen years ago it was considered as a panacea for all social diseases, it is often spoken of now as of a shrewd form of exploitation of the laboring classes by the wealthy and intelligent. Secondly, parliaments have shown weaknesses in different countries, in France—a diminution of the feeling of the necessity of a strong government; in Germany—an extraordinary splitting of political parties; in Austria-Hungary—an extreme facility of composing a parliament of elements, odious even to the majority of the population; in North America—a distrust of state legislatures and many plans for limiting their sphere of action.\*

The manifest corruptibility of the deputies (Panama, Banca Romana) adds a greater stain to nations than the corruptibility of individual rogues in the administration. The phenomena, above cited, led to the presumption that a national assembly is not the last word as to the form of the participation of society in government, and, it seems to me that under the emperors Alexander II. and III., a new form of representation began imperceptibly to evolve itself, namely, the discussion of laws by persons, invited by government from society, because from them the best counsel could be expected on account of their knowledge of the object of laws. And if we now turn to scientific literature, we find since the time of the German professors Ahrens and Roder, that the substitution of the usual national representation by the representation of social groups, engaged in the varied forms of business, in art, sciences, etc., in order to represent the interests of certain occupations, is desired more and more. It will replace a somewhat metaphysical idea of representation of the will of the nation by the idea of representation of the different

\*Bryce. "The American Commonwealth." London and New York, 1890. Vol. i, pp. 427, 428, 450-52, 453-72.

professions of the nation.\* Thus we can hope that in Russia in the course of time will appear the most practical representation which is desired by the most advanced minds of Europe and America (Ahrens, de Greef, Ward).

The conclusion to be drawn from these considerations is, that it is a great mistake, though frequent in Europe and America, to believe Russian society prone to despotism. On the contrary, Russia is well acquainted with Western national representation, but also sees clearly its weak points. The government understands the advantage of hearing the voice of the people, but holds that the forms of representation, known up to this time do not satisfy all requirements. Finally, a strong government, the need of which is so widely felt in the Russian nation, seems to offer important advantages not only in international struggles, where it is generally acknowledged, but at home where a vigorous arm is no less needed to bring relief to the poor, the weak, and even to the whole society.

Notwithstanding all that has been said in the foregoing, there is some truth in the distinction between Russia and Western Europe. The necessity of a strong government is, without doubt, more keenly felt in Russia; the pre-eminence of aristocracy in all the functions of political and social life is more remarkable in the West, notwithstanding all its professed love for equality; finally the antithesis of the classes is stronger in Western Europe than in Russia, although apparently (in dress and in external respects, generally) in the latter country the differences seem to be enormous. These differences can readily be explained historically.

The antithesis of ecclesiastical and mundane society arose at the time of the formation of divers German states on the ruins of the Western Roman empire. It was rooted, first, in blood, the clergy being almost exclusively Roman

\*This was recently widely discussed in Belgium during the revision of the constitution. Such a representation was favored by many, who termed it a representation of interests.

(Romanized Germans were few); secondly, in education; and, lastly, in the quality of the central points of attraction (a bishop or archbishop on the one hand, a king on the other). The recognition of the grandeur of the truth preached by the church aggravated the feeling of injuries often suffered from the civil powers, and led to the antagonism between the church and the state, the sparks of which glowed beneath the embers from the fifth century and burst out in the time of Gregory VII. and Henry IV., producing an indelible mistrust and even enmity between the church and the state, not yet effaced. Evidently these feelings of the clergy were reflected also in civil society, and could not but impair consideration for the sovereign power. It is, I believe, a truth, not yet fully recognized by Western scholars that the Roman Catholic church is the true cause of this spirit of mistrust against the sovereign power, which seems to be an inborn quality of every Western European. He seems to believe that the government is almost a power of darkness which should be limited as much as possible. He considers it as something quite external to society, and hence the latter always must be on the alert not to be subjugated by the former. Therefore, the last resort of every government, the most despotic or the most republican, is the conviction of the whole nation as to the strength, necessity, and form of the government. Every government must understand that it is but a part of society; that its interests and the interests of society are the same; that its military, economic, intellectual, moral power is that of the nation. This very simple idea is completely obscured in the West and even in America, where the state has no power of itself. Hence the power of the state is only the power of a part of society (leading classes in Western Europe, political parties in England and America), which evidently takes advantage of the other social parties: it only utilizes the occasion which will speedily pass, and not so soon occur again.\* On the

\* This is, to my mind, the true cause of the spoils system in North America.

contrary, in Byzantium, two causes prevented the rise of such an antagonism between the state and the church. Heresies appeared in the Byzantine empire in consequence of the proneness of the Greek spirit to philosophical discussion. The policy of the state toward them was very wise. The emperor convoked assemblies of the clergy who should freely discuss the questions at liberty; the majority of voices was considered as the opinion inspired by the Holy Ghost, accepted by the emperor and made obligatory even by force. Thus the state was sure to have on its side the majority of the clergy, which in turn were very grateful that dissensions were crushed and that order was kept in the church. In this manner, freedom and tranquillity were preserved. On the other hand, the state, taking in its hand the guarantee for the opinions of the majority, freed the church from the degrading scenes of *auto-da-fé* and the holy inquisition. The state suppression of heresies was never so sanguinary as in the West of Europe, because the state, always having in view its political interests, considered even heretics as a part of society, giving force to the state, and principally because it always dreaded an alliance of the heretics with the external foes of the empire. Toleration was more general in the East and very useful to the development of a true Christian spirit. Secondly, all the wars of Byzantium were waged against the avowed enemies of the Orthodox church (Persians, Arabs, Latins, Turks); and were therefore viewed by the clergy and the people as sacred wars; this idea was evident in the prayers and processions of the army going to war. These two causes (the solution of religious dissensions with the aid of the state and the wars against the infidels) brought the church to the conviction of the identity of the interests of the state and that of the church, practically to the policy of supporting the state with all possible means and, theoretically, to the deification of the state, *i. e.*, to the view that the state is the organization of society directly instituted by



God, and, therefore, holy.\* To these fundamental causes of the absence of antagonism between the church and the state, must be added not a few minor ones; for example, that the Byzantine throne was occupied by a long series of distinguished writers, philosophers, reformers, who could well understand the interests of the church and who sought to elevate and purify the religious spirit of society; further, that no chasm existed between the ecclesiastical and the civil class, since even patriarchs were sometimes laymen, for instance, the eminent Photius; therefore, the interests of the church were not alien to the civil circles as in the West; lastly, that the Byzantine society was composed of very heterogeneous elements, to whom only the Orthodox church as a state-religion gave unity, etc. All these ideas of the relation of the state to the church, of the Orthodox church as a state-religion, etc., were transplanted into Russia, and became there under the influence of the clergy an indestructible part of the national ideas.

The pre-eminence of the aristocracy in all the functions of political and social life and the antithesis of the diverse classes, were deeply rooted in the Western society. Christianity, as a religion imported from afar, spread itself principally in the cities, where there was a greater gathering of different nations for trade and industry; we find in the cities also schools, which diffused every sort of knowledge. So a chasm arose between the dwellers in cities and the villagers, as between a class, better educated and penetrated by Christian doctrines, and peasants, who, during the whole middle ages, presented much uncouthness and many heathen prejudices. This antithesis is testified even yet by the word

\*The state, on the contrary, in the idea of Gregory VII, appeared as a necessary consequence of the depraved nature of man and only a means for his discipline. Therefore, the state is a temporary institution which must perish, when sin, by the action of the church and the punishing arm of the state, will disappear. Eicken. "*Geschichte und System der mittelalterlichen Weltanschauung*." Stuttgart, 1837. Pp. 356-436. The conception of the state, as of an agent which is called in when necessity demands, seems to prevail in the Catholic church until now.

*paganus, païen* "pagan," that signified, first, villager, and afterward, a heathen. Hence the idea necessarily arises, that the higher classes, as more educated, must rule over the lower orders. This conception was very clearly enunciated in the time of Charlemagne in a letter, written to him by Alcuin.\* The same opinions found expression in the year 825, when Louis the Pious formally recognized the right of the aristocracy to take part in the government.† I think it is too well known to be much dwelt upon, that the feudal system added much to the gulf between the governors and the governed. The Catholic church in its antagonism to the state gave a sacred character to the participation of the aristocracy in government, saying that God Himself calls the ecclesiastical powers and the aristocracy to the help of the king, and that even they are answerable before God for the use of such share in government. The Catholic church considered itself as a guardian of the rightful order in the world, and as the church itself was too feeble for such an undertaking, it used all its influence to turn the aristocracy into its blind instrument. So the tenet was formed, clearly expressed by Bracton, as follows:

"Now the king hath one set over him, that is, God. Likewise the law, whereby he is made king. Likewise his own court, to wit, his barons and earls; for earls are called comites, as being the king's companions, and who hath a companion hath a master. So if the king be without bridle, that is, without law, they must put the bridle upon him."‡

Besides all this, the Latin language, facilitating the literary intercourse among the Western nations and the knowledge of which, as a dead language, could only be acquired in schools, necessarily separated the lower orders from the more intelligent circles, and left the former to

\* Alcuin. "*Epistolae*." 127. "*Populus juxta sanctiones divinas ducendus est, non sequendus, et ad testimonium personae magis eliguntur honestae. Nec audiendi quinsolent dicere: Vox populi vox Dei, cum tumultuositas vulgi semper insaniae proxime sit.*"

† Capit. from 825, art. 3. Pertez. *Leges*. Vol. i, p. 243.

‡ Pollock. "*Essays in Jurisprudence and Ethics*." p. 212. London, 1882.

themselves. The crusades filled the warriors with the great Christian ideas of equality, brotherhood, and other thoughts, partially inferred from Christianity (a deep religious spirit, a great esteem for women, and the wish to support the indigent and the feeble), and partially imported from the East (the love for the fantastic). From these influences was born the literature of chivalry, which produced a new social class with specific customs, manners, opinions, identical throughout the West. Thus, during the middle ages, arose various classes differing greatly in all the functions of social life; the clergy, after the introduction of celibacy, a social body completely locked up in itself, with its own laws, a chief, self-government, political ideals, etc.; the aristocracy, persuaded that God Himself laid upon it together with the emperor and kings the government of the nations; the chivalry, forming a great body, pervaded by a characteristic spirit, having the same manners, customs, standard of life, everywhere in the West; finally the citizens, occupying themselves with industry and trade, also with their law and political organization, strictly applied to the wants of their livelihood; the peasants hardly constituted a social class, but were considered laboring cattle. This social order, evolved during the middle ages, was so deeply rooted in the convictions of Western society, that it was thought as pre-established for the whole humanity by the wisdom of God. Nor can we speak in later history of a unification of the Western classes; on the contrary, we find a preponderance of one class over all the others. So the citizens with their political ideals reign almost exclusively in France since the first revolution, and prevail more and more throughout Western Europe. Mr. Herbert Spencer is quite right in saying, that the industrial type now predominates in social life, but possibly he is not so good a prophet of the future and the same can be said of the historians, who see in the growth of society a change of social classes. These formulas are perhaps

applicable to the West, but they are too narrow for humanity as a whole, and even for the European East. Even now in Paris, for instance, the contrast between an inhabitant of the Boulevard St. Germain, representative of the aristocracy, and of the Faubourg Montmartre, representative of the so-called fourth-class, is so great in religious, moral, political, social convictions that they seem to belong to different races.

I am persuaded that only by entirely setting aside the Western social organization can Eastern society be understood. It was not at all differentiated; not only the conditions of differentiation, known to us from the West, were altogether wanting, but even a whole set of circumstances occurred which opposed the formation of classes. We do not see in Byzantium a great variety in non-ecclesiastical literature. Life concentrated itself in the church. Religion satisfied the love of the Greeks for philosophical discussions; the conflux of people in magnificent temples for long divine services, where sometimes a mundane conversation was held, replaced the gatherings for political purposes and for the plays of ancient Greece, and vivified the social life to which the Greeks were so accustomed; while solemn religious processions gave satisfaction to the æsthetic sense. The clergy themselves were closely connected with the mundane society through their wives and children, and did not form a separate political body. Finally, as we have said, the Orthodox religion was a powerful tie, uniting peoples of different blood, Slavs, Armenians, Arabs, Copts, etc. This Byzantine church, remembering the words of Christ, that the gospel is given to all mankind, spoke to every nationality in its own language; the knowledge of Greek was not necessary for understanding the Orthodox faith. The church also, perfectly aware that with the fall of the state Orthodoxy might perish, employed all possible means to strengthen the state and therefore to unite the Byzantine polyglot society; to excite the lords or the warriors against

the emperor, to preach to them, that they are called upon to defend the legal order even against the arbitrary will of the emperor, would have seemed to the Byzantine clergy a hateful heresy. They were convinced that the legal order is sustained by the wisdom of God Himself, who does not need a human arm to crush the most powerful emperor, transgressing the holy precepts. Manifestly, the Greek church understood Christianity in a deeper and more truly Christian spirit than her Western sister. As we have seen the different social classes were *there* animated with ideals, quite opposed, because flowing from quite divers civilizations (Catholic clergy—Christianity transformed by Roman political and moral ideas; aristocracy—feudal system with the memory of conquests; chivalry—Christianity transformed by Eastern influence; citizens—remnants partly of Roman municipalities permeated by Roman juridical conceptions and partly of the old Teutonic social organization); *here* there was an enormous diversity among different nations in *quantity* of culture, but not in *quality*. In the Byzantine empire, the extent of religious, moral, political and social knowledge was the same, but some knew it fully, some only partly, and some almost not at all. The second cause, opposed to the differentiation of society, was the great power of the emperor; he, as the representative of the state, and the guardian of the church, stood so high in the opinion of his peoples, that political rights, independent of him and limiting his power, could not spring up at all.

But, as we have said, his will ought not to prevail as in a despotism; all his power, on the contrary, came from the state, and we see him crushed more than once by the clergy and bureaucracy, who considered themselves depositories of the political and military traditions of the state.\*

\* My picture of the Byzantine state and society is borrowed from Paparrigopoulos, the eminent Professor of the University of Athens, who devoted almost his whole life to the history of Greece and Byzance. He has himself written an epitome of his voluminous work, written in modern Greek, and published it in French under the title: "*Histoire de la civilisation hellénique*." Paris, 1878.



This idea of society as a whole, not separated by sharp lines and united by a state-religion, was transferred with the Greek church to Russia. We have already spoken of the evolution of Russian society; we must only direct attention to a circumstance, still more opposed to differentiation. It was not the entire inheritance of ancient Greece nor the whole Byzantine literature which was transplanted into Russia, but only what was translated into the Slavonic language from the Greek, principally in Bulgaria. There was not much of that, and, therefore, it was easily appropriated by the whole population. Thus, the want of the means of education itself had an advantage, not yet fully appreciated by the Russian historians; the unity of society was preserved, and at the time of danger the whole society arose as one man for defending the state and church, because all society was permeated by the very same religious, moral, social, and æsthetic feelings.

Thus we agree with Professor Gumplowicz that a certain difference exists between Russia and Western Europe, but this difference does not serve as a reproach to Russia. If we even grant that the feeling of dependence of an individual upon the state, incomparably more intense in Russia, is a questionable acquisition, the absence of a chasm between the social classes and the absence of a ruling class are benefits, to acquire which the West had to pass through terrible commotions and to suffer effusions of blood. What has been accomplished in Russia by a peaceful historical process, is not yet fully acquired by the West. In this connection we wish to direct the attention of scholars to the Slavonic world. With due respect to Western science, we have always been astonished that it studies this world so little. The comprehension of Slavonic life seems to me indispensable for a true estimation of the forces, which produced Western civilization. All the might of the influence of the Catholic church, of feudalism, chivalry, etc., can be comprehended only by a comparison with a society of the

same Aryan blood, having almost the same political institutions at its appearance on the historical scene, but pursuing so different a path in its development. But this is not all. This Slavonic world, with almost the same social organization until the thirteenth century, divides from this moment into two halves, developing under different influences (the Western ideas and the Byzantine conceptions) with quite different results (Poland, Bohemia, Croatia on the one hand, Russia on the other). But even this is not all which can be said. In Bulgaria and Servia, we see a crossing of Western and Eastern influences, the result of conquests long past (the two countries were conquered by Slavs), and of peculiarities of geographical configuration (mountains separating the tribes and opposing national unity). It is as if nature itself was bent on the most diverse historical experiments.

In stating the relation of the Germans to the Slavonic peoples, Professor Gumplowicz proceeds from his tenet, that Russia threatens Western Europe. As Russia, he says, in its perversity has created a new form in order to increase its influence, panslavism, *i. e.*, a claim for its preponderance over the whole Slavonic world, on the ground of the sameness of blood, and as behind the propaganda of panslavism lurks panrussism, despotism and orthodoxy,—Austria and Germany must take all possible measures to elevate the self-consciousness of national individuality in the particular Slavonic nations and not persecute them. Slavophilism is a phenomenon very sympathetic, politically innocent, consisting in the support of mutual sympathy among the Slavs. But panslavism must be separated from Slavophilism, because the former aims at the absorption of all the Slavs by Russia and to their russification. The most energetic measures should be taken against panslavism, but it ought not to be forgotten that it can spread itself only among such Slavonic peoples as are not yet fully developed. When the nationality is already

determined, it will be ever extremely averse to panslavism, as is evident from the relation of Russia and Poland and now also of Bulgaria; social groups do not die willingly; nations do not, though individuals may, commit suicide. The support of the Slavs, the regeneration of Slavonic nationalities in Germany and Austria, is the most decisive measure against panslavism. There is no reason to fear the narrowing of the limits of the German nationality; the European nationalities were formed during more than a thousand years; their limits are determined, and one cannot acquire much from the other. Finally, if even some one little German city, encircled by Slavonic villages, will become Slavonized, there is no great harm done. On the other hand, the great German cities will continue in their turn to transform into Germans the Slavonic elements, of recent acquisitions.

The rise of the Western Roman Empire revived the aim of ancient Rome for the empire of the world, which was reinforced by the Christian religion, preaching the unity of all mankind under one chief (one flock under one shepherd). This doctrine penetrated into the minds of the Germans at the moment of their vigorous youth. Thus, it is not at all wonderful that we find a long series of emperors, who made great efforts to subjugate the heathen Slavonic peoples. For three hundred years an almost incessant war prevailed, till the Slavonic peoples, living on the shores of the Baltic, were conquered. Meanwhile, Poland and Bohemia, where the echoes of Slavonic struggles with the Germans should have been heard and spread a mistrust of the Germans, became transformed into dukedoms, were Christianized, and willingly acknowledged the supremacy of the emperor as of the common chief of the Christian world. Yet this first encounter necessarily evoked among the Germans, a consciousness of superiority and among the Slavs, a feeling of animosity.

The second period in their relations begins about the end of the twelfth century. Western Europe, profiting by the great Roman inheritance, becoming rich and populous was obliged to look out for lands where its population and industry could find an issue. The struggles between the pope and the emperor, the fall of the imperial power, "the right of the stronger" (*Faustrecht*), the dissensions between the knights and the towns, produced insecurity of life and property. These two facts impelled the Western nations to seek new territories, and the attention involuntarily turned to the Slavonic countries so scantily peopled. In the Slavonic world itself not a few causes contributed to such an immigration, namely, the desire of the dukes to profit by Western tradesmen and artisans, the desire of the clergy who at the beginning were principally of German or Roman blood to surround themselves with inhabitants of the same origin, to people the uncultivated spaces, and to have under their hand a Christian population of longer standing, the efforts among the great lords to enrich themselves with the help of the foreigners. The invasion of the Mongols added to all this an enormous depopulation of the Slavonic countries, suggesting to princes, clergy and lords the desire to fill up the decrease by German immigrants. The result of these circumstances was that not only all the cities, but even a great many villages were in the fourteenth century peopled by Germans in the Slavonic countries of the Catholic faith. We may know by what feelings this foreign population was animated, not only from many collateral indications, but also from the insurrection of Cracow and other German colonies in the beginning of the fourteenth century, aiming to transform Poland into a province of the German empire. Although the insurrection was repressed, it had in Poland very pernicious consequences. The rural Polish population looked on the inhabitants of the towns with mistrust, and did not even consider them as fellow-citizens,

and they in their turn did not regard Poland as their native country. Similar conditions prevailed in Bohemia. Hence the cities could not, as in the West, counterbalance the nobility, becoming a necessary link between the nobles and the peasants, and could not present a strong support to the kings and to the villagers. We must, however, say that in the beginning this German colonization was very useful; only by this great boon of Western labor and capital the rapid bloom of the Catholic Slavonic countries became possible. So the celebrated "*Drang nach Osten*" arose, lasting in a less or greater degree until now; as late as the '50's of our century the eminent German economist, Roscher, preached the immigration of Germans to the Balkan peninsula in order to found there a New Germany.

Incomparably more dangerous was the intellectual subjection of the Catholic Slav-countries. These countries, finding no counterbalance in other intellectual influences, fully assumed the political Western doctrines. We have seen that the latter followed from the very conditions of existence of the Western world. For greater clearness we must recapitulate them:

1. The idea that the sovereign power is only the civil arm required *to educate the nations* in Christian morality, that therefore it necessarily stands in a contrast with the wishes and feelings of the lower orders; when the contrast ceases, the sovereign power ceases also. With the course of centuries the essence of this idea, in my eyes, has not at all changed. The education of nations in Christian morality was replaced in course of time by education in metaphysical conceptions (equality, liberty, and brotherhood) dictated by reason, and in quite modern times in scientific truths (Comte, etc.). The anarchists are in this sense the legitimate children of the Western doctrine of the sovereign power; they uphold the doctrine that the education of the people is completed; the nations want no more tutors; therefore, the state ought to be abolished. Thus the Western



political system is quite powerless against the logical inferences of the anarchists.

2. This education can only be given, except by the clergy, by a leading class, a depository of moral and intellectual or scientific acquirements of humanity.

3. These two tenets had, as a consequence, although undesirable, but quite inevitable, the breaking asunder of Western society into diverse strata, altogether opposed in their feelings. As education depends upon economic security and intellectual capacity, developing itself hereditarily, equality in knowledge could not until now be attained.

The introduction of these doctrines among Catholic Slavs speedily produced certain consequences. Beginning with the twelfth century the power of the Slavonic princes began to fall, and already in the fifteenth century the kings of Poland and Bohemia were almost without influence. The lamentable condition of Poland at the end of the fifteenth century, as a consequence of the decline of the royal power, is very circumstantially stated in a new and very scholarly work,\* and in Bohemia the monarchy did not even exist during several years of the fifteenth century (1420-1436). Yet more deplorable was the mutual relation of the social classes: the clergy, severing every tie with the people, rich and depraved, seeking only their own profit from the contending popes; the lords, pervaded by the Western aristocratic conception, and as in Bohemia, thoroughly Germanized; the warriors, more and more penetrated by the spirit of chivalry, drawing a sharp line between them and the inhabitants of the towns; the citizens, German by blood, sympathizing with all the streams of German thought and completely alien to their own country; finally the peasants, destined by the mediæval social order to serfdom; in a word, every class pursuing its own interests and considering the other classes as avowed foes, and the state

\* Adolf Pawlinski. "*Sejmikiziemskie, 1374-1505.*" pp. 82-240. Warsaw, 1895.

as an odious and useless impediment to reaching these interests. This state of things was bound to evoke a reaction. And, indeed, this reaction expressed itself in Bohemia in a great religious, political, and social movement, completely destroying the old political organization and shaking even the foundations of the mediæval Western society. Poland escaped this catastrophe only by the fact that the predominance of the Catholic church kept her true to her so-called predestination to carry the Western civilization into the Orthodox Slavonized (great part of Lithuania) and Slavonic lands. Thus Poland's attention was drawn away from her internal affairs, and she brought the Catholic religion, the contempt for the absolute power of a king, the doctrine of the position of the leading classes in society into the East; what were the results? History has shown with striking clearness in the years 1772-95 and has impressed her lessons with unspeakable suffering, streams of blood, all sorts of degradation and frauds coming from the East as well as the West of Europe. We must, nevertheless, acknowledge that the brilliant Polish political literature arose under the influence of the evident decomposition of the state in the fifteenth century.

Thus, in the fifteenth century we may confidently say that the Catholic Slavonic world seemed to be predestined to extermination; the German wave slowly overflowed the Slavonic countries where the preceding Western influence had decomposed society and undermined the kingly power, the basis of order in the fifteenth century. At this moment two facts of world-wide importance changed the course of events. In 1453 an energetic Asiatic horde under a military genius as chief, took Constantinople; a whole series of eminent sultans drove back Western Europe. The Asiatic barbarism hindered in the South Slavonic countries for some hundred years the development of civilization, but it covered these lands as with a layer of snow, preserving their strength for a new vigorous youth. Another, a peaceful

genius, sailing from the opposite side of Europe, discovered America, and in this manner guided by his mighty arm the Western overproduction of population, labor and capital in quite another direction. There the Western colonists, animated by the vivifying influences of humanism and reformation, laid the foundation of a state of the greatest material prosperity and of liberty to a degree quite unknown to the old world. Thus, the stream of the Western colonization in the East was, if not wholly stopped, at least extremely weakened. Notwithstanding these facts, the absorption of Slavonic lands did not cease altogether; yet the forces were considerably lessened; while before, the whole colonization of the West tended to the East, now it was exclusively German colonists, for whom the Slavonic lands, as lying near, were more profitable, because the Germans could hope not to be lost to their native country as in America. The dismemberment of Poland, and even the occupation of Bosnia and Herzegovina are nothing else but the consequent steps of a progress, mentioned by us, which began at the time of Charlemagne.

If the movement of colonists into the Slavonic lands diminished, the Western intellectual influence did not stop, and the fall of the Bohemian kingdom in the early years of the seventeenth century was avowedly produced by the weakness of the sovereign power and the decomposition of society, in which there raged political, social, religious dissensions, imported from the West.\* But the Western influences made themselves felt most thoroughly in Poland and there at the end of the sixteenth century the organization of the state took almost the form of a political caricature. What in the West was changed under the altered circumstances, remained unchanged in Poland and rose to abnormal dimensions. The power of the king in consequence of humanism, Roman reminiscences, Reformation and Catholic reaction, was considerably strengthened

\* Jos. Kalousek. "*Ceské statui pravo.*" pp. 389, 390. Praha, 1892.

in Western Europe, but in Poland the distrust of a king, fostered by the Catholic church, could not be eradicated, while the classical idea of the sovereignty of the people transformed itself into a hatred of all political power. In the West the position of the leading classes remained unshaken, but it was very well understood that the other classes must have some liberties. In Poland, on the contrary, the nobility, remembering the doctrines of the classical world, principally of Aristotle, of the necessity of slavery, began to consider themselves as the nation itself, and the other classes almost as its laboring cattle. So the celebrated "golden liberty" arose, which could not even co-exist with the state.\* This intellectual influence of the West, even at the present moment, produces disturbances in the South Slavonic kingdoms. The eras of government of "the liberal party" (*napredniki*) in Servia and of the partisans of Stambuloff in Bulgaria, had for their basis the Western tenet of the predestination of the leading classes to rule over the lower orders; this same doctrine principally divides into two opposed parties the Russian and Polish society.

Thus the relation of the Germans to the Slavs is determined by great economical and intellectual currents, lasting a thousand years. The component elements of these currents are two, viz.:

1. The feeling of a superiority, rooted in success (almost the whole of Prussia was anciently Slavonic), and in a fuller development. This feeling leads to the presumption, that the Slavs are a race of minor intellectual capacity, and this latter in its turn justifies injustices to the Slavs (it is silently taken for granted that this race is a detriment to progress and is predestined to extinction).
2. The overproduction of population, industry and capital, which seek an issue and find it most conveniently in

\* Mich. Bobrzynski. "*Dzieje Polski wzarysie*." 3d ed. Vol. ii. pp. 181-87.  
 "The Cause of the Decline," pp. 345-68.

the neighboring Slavonic countries. This phenomenon must necessarily aim at the concentration of great landed property, and great commercial, manufacturing and industrial undertakings in the hands of Germans, while the aboriginal (Slavonic) population are intended to become only laborers. This consequence is rendered the easier by the contemporary international law, which tends to a formal equality, and does not fully take into account the real differences in economical and intellectual development. Hence the absence of manufactures is very painfully felt, except in Bohemia, in all the Slavonic countries, which are too feeble to protect themselves by a prohibitive tariff. Against such tendencies of Western Europe, which lie in the very nature of things and were produced, one may say, in the course of a thousand years, the disjointed Slavonic world is too feeble to resist without the help of Russia, and this is one of the chief causes of the panslavistic feelings in a great many Slavonic minds.

We have seen also that the intellectual influence of the West was generally pernicious to the Slavs. This phenomenon is easily explicable by the fact that the West undermined too early the feelings of discipline and cohesion. The incessant wars of ancient Rome deeply rooted in the whole Roman population the necessity of discipline, which found a brilliant expression in the Roman law. This law through the church, state and school, very early disciplined Western society, which met with the Slavs, when the unity of state and church, the identity of political conceptions were already loosened in the West. But these separating elements could do no harm, because society was yet tolerably well accustomed to order; they were even useful, because they tended to progress. On the contrary, the Catholic Slavonic nations wanted discipline and a basis for intellectual unity, which the West could not give at the moment of meeting. Finally, it must be ever kept in mind that political and economical conceptions cannot be



confounded with scientific truths; they are only the efforts of the human mind to bring into order the real political and economic conditions. From this point of view it is quite evident how pernicious must be the transfer of political and economic conceptions from one region into another quite different one; it is as if a Russian traveler would wear a bear's skin in Sicily during winter, because this fur was necessary for him in Russia. I add this remark because it might be concluded from my speaking of the pernicious intellectual influence of the West, that I have in view Western science and literature. With profound respect for Western scientific and literary greatness, I mean only political, economic, and sometimes religious conceptions. Western science has itself recently begun to criticise the Western political and economic system; the first steps were taken in this direction by the socialists, and this is their indubitable scientific merit. Societies of comparative jurisprudence have recently undertaken the study of the relation between the political and economical conceptions on the one hand, and the political and economical conditions on the other. This will inevitably lead to the enlargement of the political and economic horizon and to the foundation of political, economical and moral ideas on a true scientific basis. On this occasion I should like to warn the reader against another possible misunderstanding of my views. I have so often and so strongly insisted on sovereign power, that it might be inferred that I uphold the doctrine of the general usefulness of an absolute monarchy. This idea is completely foreign to my mind; I only defend the thesis that the dependence of the citizen upon the state is very faintly developed in Western Europe and in America.\* The abandonment of the doctrine *laissez faire, laissez passer* necessitates a great deal of interference of the state in the social relations, and to this the Western and American

\* "The American Commonwealth," by James Bryce. 2d ed. Vol. ii, pp. 575-76. London and New York, 1890.

society is quite opposed under the influences mentioned above. The political form, which the feeling of dependence of an individual upon the state assumes, is quite another question, upon which I have not touched at all because it is of an incomparably minor importance. It is enough to say that this feeling of dependence upon the state was extremely developed in the ancient classical republics. Thus, speaking everywhere of the sovereign power, I mean only the psychic factor, the feeling of dependence upon the state, and not the form which this feeling takes in reality.

The preceding discussion has prepared us for understanding the real position of Russia in the Slavonic world and the rise of the so-called panslavistic theory. It is the tendency, often unconscious, in the Slavonic masses outside of Russia to seek support against the aggressive tendencies of Western capital, labor and industry. To this can be added in Orthodox countries the unity of religion with Russia, very ancient reminiscences of the power of the Roman and afterward of the Byzantine emperors, which was transferred to the Emperor of Russia, more recent memories of help given by Russia during the Turkish yoke. On the other hand, Russia supports and will probably support the Slavonic elements outside of her limits, because otherwise they would be crushed by hostile forces and transformed into Germans, Roumanians, Magyars and even Italians. But Russia has never thought of subjugating these Slavonic countries, or of Russianizing them. The Slavophile party, which in the relations with the Slavs plays a prominent rôle, aims at an independent, national civilization, and this can only be attained when the Slavonic world preserves a variety of languages, political and social formations. In the Slavophile idea, unity without diversity is a uniformity of death; life presents itself always under different aspects. The Slavophiles say only that the Russian language should be much more known among the Slavs

than it is now, but it need not at all replace the national languages; it should only facilitate mutual intercourse among the Slavs, and in this sense its future position can be compared with that of the Latin language in mediæval Europe and the French in the seventeenth and eighteenth centuries. Finally, in relation to the Orthodox church, the Slavophiles wish that it were accepted by all the Slavs, but this is not at all a necessary condition of union; it is only a means leading to greater cohesion and a manifest sign of a complete rupture with the religious, moral, even political conceptions of the West.

If we in conclusion take a final glance at this movement of the Slavs toward union, we shall find the same tendencies among the Italians, the Germans, the Americans (the Monroe doctrine), even among all the Latins (panlatinism) and Teutons (panteutonism). All these movements are, in my eyes, only steps toward the realization of that great dream of the philosophers from the time of Diogenes, of religious geniuses, of political utopists, of scientific scholars, toward a unification of all humanity into one great whole, based on mutual esteem, mutual love, and eternal justice. This union can be accomplished not by wars, not by exploitation, not by exaltation of one nation over the other, not by dominion of one people over the other; but, by mutual love and by the feeling of brotherhood among men as has been said by the greatest religious geniuses of the enslaved, uncultured and despised East.

F. SIGEL.

*University of Warsaw.*

## POLITICAL AND MUNICIPAL LEGISLATION IN 1897.\*

While the great majority of the well-nigh innumerable laws passed by the forty state legislatures which held sessions in 1897, were of the usual routine and insignificant character, quite a number of the statutes are interesting and noteworthy as innovations in administration, so far at least as our own country is concerned, while others extend to additional states important principles already proved successfully applicable by sister commonwealths. It is one of the advantages of the federal system that individual states can undertake legislative experiments, without risk of injury to the entire nation, while all the other states may profit by the knowledge thus obtained as to the effect of such legislation. We are able to a certain degree to apply laboratory methods to politics. It has always been our western states which have shown themselves specially prone to enter upon untried paths in government, but, as might be expected, the great western Populist agitation of the past few years has resulted in the enactment of even more innovating legislation than usual. Some of the new measures are doubtless steps, though often stumbling ones, in the right direction; others are mere fleeting foam on the radical wave. In either case, however, they are worthy of study, both as possible guides, positive or negative, for legislation elsewhere, and as showing the temper of those classes who are bound, in their awakening, so strongly to influence our national life.

*The Delaware Constitution.*—While containing little that is novel from the standpoint of state legislation in general, the new constitution of Delaware, framed by a convention

\* Previous papers in this series have appeared in the *ANNALS* for May, 1896, Vol. vii, p. 411, and March, 1897, Vol. ix, p. 231. Reference to them will aid in interpreting the significance of the legislation of 1897.

which met in December, 1896, presents very great changes from the former state constitution, which dated back as far as 1831. The constitution, in accordance with the practice more common in the South than the North, was promulgated by the convention itself, without submission to the people. After the fashion of most modern state constitutions it extends greatly the scope, and increases the minuteness of the regulations placed by the people upon their representatives and rulers. It introduces more democratic in place of the earlier aristocratic institutions. Thus the requirement that state senators be property owners is repealed, as is the restriction of the suffrage to those who have paid their poll and other taxes. On the other hand, however, the educational qualification for voting is introduced; those hereafter becoming electors must be able to read the constitution in English. The governor's power of appointment is now made subject to confirmation by the senate, but he is given the veto power, which was hitherto lacking. The attorney-general, state auditor, treasurer and commissioner of insurance, heretofore appointed officers, are now to be elected by popular vote. Many important commands and restrictions concerning legislation are introduced, not a few of these being provisions scarcely with propriety placed in a constitution or fundamental law. Special acts granting divorces, creating corporations or affecting various classes of local affairs are prohibited, though, as is natural enough in so small a state, local legislation concerning cities and certain other matters is not forbidden. Among the numerous other new regulations, the most interesting are the requirement that local option be given as to the suppression of the liquor traffic, and the strict prohibition on the issue of stock by corporations except for cash or for property or labor at their actual cash value.

*Suffrage.*—In view perhaps of the defeat of woman suffrage in the adjoining and precedent-giving State of California, the Nevada legislature failed to approve the constitutional



amendment granting women the ballot, which was submitted to it by its predecessor in 1895. In Oregon the conflict over the election of a United States Senator prevented entirely the organization of the legislature, so that the similar constitutional amendment, proposed in that state in 1895, was not voted upon. South Dakota, however, which is taking a prominent place as a leader in innovations, has submitted the question of woman suffrage to popular vote at the election of 1898. The recent marked tendency toward requiring educational qualifications for voting continues to manifest itself. The provision in the new Delaware constitution has been already mentioned. The North Dakota legislature has proposed to its successor a constitutional amendment introducing the educational test; while in Connecticut the amendment providing that the required reading of the constitution shall be in English was adopted by popular vote last September. Compulsory voting, an entirely new departure in this country, is proposed by North Dakota in a constitutional amendment, submitted to the next legislature, authorizing the establishment of penalties for failing or refusing to vote. The progress of the amendment and the working of the measure, if it is actually adopted, will be watched with great interest.

*Primary Elections.*—Now that so much progress has been made by secret ballot and corrupt practices acts toward purifying the election polls, legislators are turning growing attention to the even more important and difficult problem of reforming the nomination system. The provision, found in all the Australian ballot laws, for independent nominations by petition of a certain number of voters, has accomplished little. The caucuses and primaries of the great political parties themselves must be reorganized so as to prevent the domination of corrupt machines and to permit a free expression of the will of the entire membership of the party in the selection of candidates. Massachusetts, by her laws of 1894 and 1895, has done perhaps more than any

other state in this direction, but California and Wisconsin are not far behind. The act adopted by the former state in 1895, for San Francisco only, has now been improved and extended throughout the state. It provides that all parties must hold their primary elections, for choosing delegates to nominating conventions, at the same time and place and under the joint supervision of officers elected by the county election commissioners from representations of the leading parties. The number of delegates is officially fixed, and official election registers are used to determine the qualification of voters. Each voter may cast his ballot for delegates to the convention of any one party he sees fit, on taking oath that he expects to support the party at the election. Rigid provisions are made to prevent fraud, "packing" of primaries, etc.; while, following the example set by Ohio last year, each candidate is required, after the convention and before election, to make a detailed statement of his expenses incurred for the purpose of securing the nomination, the total of such expenditures being limited on the same principle as are those of candidates for election. The Wisconsin law of 1897 is likewise based on one of 1895, which applied to Milwaukee city and county only. The present act is mandatory in all cities of over 10,000 population, and may be adopted by any town, village or city on popular vote. Each party has a separate primary and chooses its own officers. Preliminary meetings are, however, called a few days before the primary, at which any person may, at will, propose names of delegates to the party convention. The names are all placed, in an order to be determined by drawing at random, on a blanket ballot. The voter at the primary, in secret, marks a cross opposite those whom he wishes for delegates, up to the number to which the precinct is entitled. Any voter duly qualified, as shown by the official election registry lists, must be allowed to take part in the primary, provided that, in case he is challenged, he swears that he voted for the party at the last election.

Missouri also adopts, for St. Louis only, a primary election law with some improved features, and Delaware enacts somewhat similar provisions for New Castle county, the seat of the city of Wilmington.

*Elections Generally.*—We have already noticed in previous years a tendency among various states to amend the Australian ballot laws in such a way as to make party voting, as distinguished from independent voting, easier. This movement was carried further by the legislation of 1897. Three states, New Hampshire, Nebraska and Wyoming, joined the several which had already changed the form of the blanket ballot from the original arrangement of candidates alphabetically, under the name of the office, to the arrangement in party columns, giving an opportunity for "straight" voting of the entire party ticket. Nearly half of the states introduced at first the alphabetic ballot, but barely a third of them now retain it. The party column blanket ballot is used in all the others except Connecticut, New Jersey and Missouri, the latter state having in 1897 abandoned it. These three states provide separate ballots for each party. The elector is given a ballot of each kind and casts secretly the one which he selects. He may make, of course, such modifications as he wishes in the ticket, but obviously he will be somewhat less apt to vote a mixed ticket than under the blanket ballot system.

Another measure which seems to tend against the freest action of the popular will in selecting officers, had already been enacted by Michigan and Ohio in preceding years, and was adopted by Illinois, Indiana, North Dakota, Wisconsin and Wyoming in 1897. This provides that no candidate's name may appear as the nominee of more than one party or group of voters, but that a person so nominated must formally select the party or group for which he wishes to run. A Pennsylvania law allows the candidate to appear once as a party nominee and once as a nominee by paper, but no more. Partial fusion of parties in the nomination of candi-

dates is thus checked. It is difficult to discover sufficient justification for this restriction.

The movement toward the use of ballot machines continues. Minnesota joins the few states which authorize their employment in all elections, while California provides for a commission to examine instruments and report an act to the next legislature. New York and Michigan have extended somewhat their existing provisions for the use of these improved devices.

*Corrupt Practices.*—Wisconsin was the only state to enact during 1897, a general corrupt practices law, such as have become popular of late years, defining offences against the suffrage, requiring reports of expenditures by candidates and committees, and restricting the purposes of such expenditures. Her law is, however, relatively rudimentary, lacking especially those limitations on the amount of outlay by candidates which have usually been embodied in the more recent acts. One new feature is the prohibition of contributions to promote the nomination or election of state assemblymen and senators, by persons living outside the district for which they are to be chosen. A more important innovation has been adopted by Tennessee, Missouri and Nebraska. These states forbid absolutely contributions by corporations to parties or candidates, or for influencing elections in any way. It has been charged that the railways exercise a strong influence in politics in these and other western states, and while both the propriety of such unqualified prohibition and the possibility of preventing the abuse by laws alone may be questioned, some step in this direction was doubtless expedient. The example will probably be followed by other states. California, always in the van,—so far, at least, as mere legal enactments go,—in the attack on political corruption, has prohibited solicitation from candidates for any state or local legislative body of promises to support or oppose a particular measure or policy in case of election, as well as the making of such promises by candidates. Public declarations of principles are, of course, excepted.

A somewhat curious and entirely new measure, adopted by Indiana, gives legal recognition to the polling of voters by political parties. Before election any party is entitled to take such a poll and to require answers from voters themselves, or from heads of families, hotel and lodging house keepers, concerning the names, residence and qualifications of voters.

*The Initiative and Referendum.*—The movement in favor of direct legislation by the people, which has manifested itself of late years in the increased practice of referring specific subjects of state or local legislation to popular vote, and in the increasing agitation for a general use of the initiative and referendum, has at last culminated in some of our western states. South Dakota goes furthest by proposing a constitutional amendment, to be voted upon in November next, declaring that

"the people reserve to themselves the right to propose measures, which measures the legislature shall enact and submit to a vote of the electors of the state, and also the right to require that any laws which the legislature may have enacted shall be submitted to a vote of the electors of the state before going into effect, . . . provided that not more than five per centum of the qualified electors of the state shall be required to invoke either the initiative or the referendum."

The sister State of Nebraska has meanwhile enacted a law, to take immediate effect, introducing the same principle for all local subdivisions,—counties, townships, cities, villages and school districts,—but not for the state government itself. A petition of 15 per cent of the voters is necessary to initiate measures, or to demand the reference of proposed measures to the people. The question must then be submitted to a vote at the next general election, but if the petition be signed by 20 per cent of the electors and contain a request for a more immediate vote, a special election must be held. The local legislative body may suggest amendments to measures proposed by popular initiative. In such case the original and modified propositions must both be placed on the ballot.



Unless a majority declares itself against both forms, the form receiving the most affirmative votes becomes law. The introduction of the initiative and referendum in certain cases to county government in California and to city government in Minnesota will be described under another head.

*Civil Service.*—The steady progress of civil service reform in state and nation has at last aroused the professional politicians to the danger of losing their means of sustenance, and attacks of unusual virulence have recently been made on the merit principle in appointments. By holding up rotation in office as a part of the democratic ideal, and by pointing out the occasionally impractical character of civil service examinations, the spoilsmen have succeeded in checking, doubtless only temporarily, the forward movement. In Maryland, indeed, they brought about the defeat of the proposed constitutional amendment providing for the examination system, by the great majority of 84,391 to 15,875. Moreover, the civil service law in New York has been made over on a plan proposed by Governor Black, who aimed to "take the starch out" of the system. While the governor was probably fairly sincere in his purpose of making the administration of the civil service less doctrinaire and more business like, the new law can scarcely fail to act as a loophole, to those officials who seek to make it such, for practically complete admission of the spoils principle. Hereafter the examinations given by the civil service commission are to determine only the "merit" of the applicant for office, and are to count only one-half in this grading. The appointing officer is to "examine" and grade the candidate as to his "fitness" for the position—this division of the tests being based on a supposed distinction in the meaning of the words "merit" and "fitness" in the state constitution. There is absolutely no direction in the statute as to the nature of the examination which the appointing officer shall make—apparently it might consist merely of looking at the candidate or of feeling the wires pulled in his

favor. The sum of the grades given by commission and appointing officer fixes the final rank of the candidate.

The practice of giving preference to veteran soldiers and sailors in public employment, which is deprecated by many civil service reformers, nevertheless continues to find favor with state legislatures. Michigan and New Jersey are added to the states which have required that veterans be preferred in state and local appointments, and have forbidden their removal except for cause, after hearing. Illinois also provides that soldiers and sailors passing the local civil service examinations shall be placed ahead of other candidates, regardless of their relative grading.

While civil service reform has thus been set back somewhat in a few states, it has made minor advances in Wisconsin and Pennsylvania. The former state extends her law of 1895, applying to the city of Milwaukee, to the Milwaukee county government, and improves it in various ways, notably by prohibiting assessments on office holders for political purposes or the use of political influence to secure appointments or promotions. Pennsylvania likewise prohibits political assessments, but specifically allows voluntary contributions by office holders. An absolute prohibition of payments by appointive officers for political objects will probably be the next step.

*State Legislatures.*—An interesting constitutional amendment is proposed in California for action by the people in November, 1898. This is to lengthen the maximum duration of the legislative session from sixty to seventy-five days, and to require that after the first twenty-five days of the session a recess of not less than thirty nor more than sixty days shall be taken. No new bill may be brought in after this recess except by consent of three-fourths of the members present. While this latter exception will in practice probably allow the introduction of very many bills of a less important nature, the change will certainly tend to give more time for discussion by the legislators and for the

formation and ascertainment of public opinion. So far as the sounding of popular sentiment may be the object of this proposed measure, it bears some relation to the broader movement for direct legislation.

Tennessee has attempted the impossible in enacting a law prohibiting absolutely lobbying with members of the legislature. Lobbying is defined as "personal solicitation by private interview, letter, message or other means or appliance not addressed solely to the judgment." West Virginia briefly and without defining the term prohibits lobbying on the floors of the legislative halls themselves; but apparently convenience is the chief object of this act.

*Local Government Generally.*—A law of some interest as showing the increasing decay of the old self-governing township system with the growth of population, is that passed by New York last year, providing that town meetings shall hereafter be held only once in two years instead of annually, and giving township officers a biennial term. The direct control of the people in the government is thus considerably reduced. In fact the initiative and referendum are apparently fast taking the place of popular assemblages as a means of expressing the people's will in local affairs. Aside from the instances already mentioned where the system is introduced in general form, two states last year adopted it for specific cases. In California it is enacted that whenever 50 per cent of the voters of any county petition for the passage of an ordinance or measure of any kind, the county supervisors must submit it to vote, a majority of the ballots cast on the proposition being sufficient to determine its adoption or rejection. The same state has also introduced for counties the practice already employed for cities, of allowing the people themselves, by majority vote, to adopt a frame of government, to be drafted by a board of fifteen freeholders elected by the qualified voters. Such a measure may regulate the character, terms, salaries, etc., of officers, the manner of conducting primary and general elections and various

other weighty matters. The legislature may approve or reject the law as a whole, but has no power to amend it. In Minnesota, where the people adopted in 1896 a constitutional amendment allowing cities to frame their own charters according to the California plan, an act, framed on very broad lines, was passed in 1897 to carry the measure into effect; and a further constitutional amendment was proposed to be voted upon this November, providing that, on petition of five per cent of the voters of a city proposing an amendment to a charter adopted in this way, the amendment must be submitted to popular vote.

*The Greater New York Charter.*—One of the most important political events of 1897-98 was the consolidation of Brooklyn and numerous smaller municipalities with New York City, thus forming a metropolis second in size to London. The charter which is to govern this huge city was framed by a commission of fifteen members, some eminent as publicists, others of more doubtful fame as politicians and office holders. The time given to the preparation of the measure was confessedly far too short. Though disapproved by many thoughtful citizens, and though "vetoed," under the provision of the state constitution, by Mayor Strong of New York, the bill was rushed through the state legislature under party coercion with very inadequate consideration. The charter, while representing no little study and the doubtless sincere beliefs of the majority of the commission, leaves much to be desired. It perpetuates the most anomalous features of the former law governing New York City, and its innovations harmonize little with existing institutions.

The charter commission has sought to rehabilitate the city council, which had become a mere laughing stock, by establishing an upper and lower board, by giving the former a four years' term, and by increasing the number of the lower body to sixty, as well as by restoring to the council some powers which had been taken from it. But the division of the council is of doubtful advantage, the increased

membership is scarcely commensurate to so immense a population, and the power granted is still but limited, so that, in all probability, little will be accomplished toward making the council the real central authority in government. The illogical and peculiar "board of estimate and apportionment," composed of five leading executive officers, is retained. While its previously absolute control in fixing the city budget is now shared with the council, which may reduce but not increase its appropriations, it is likely that the board of estimate, which has control in many other directions also, will continue to be as heretofore the power behind the throne.

One real step in advance sought by the new charter is the granting of greater "home rule" to the city. Heretofore all enterprises requiring bond issues, no matter how small, have had to be specifically authorized by the legislature. Such enterprises may now be instituted by the city alone, but subject to the co-ordinate control of the city council, the board of estimate and a new "board of public improvements." This arrangement, designed to prevent abuse, has gone too far in its establishment of checks and balances; it can scarcely fail unduly to divide responsibility or to bring about deadlocks. Moreover, there is nothing to prevent future legislatures from directly or indirectly disregarding or repealing the grant of home-rule.

Probably a more important reform step than that just described is the new regulation of public franchises. Competitive bids, which have usually proved so unsatisfactory in the case of street railways, where they are required by the general state laws of New York, are not to be introduced for disposal of other franchises. All grants, however, both of railway and other privileges, require concurrent approval of the board of estimate and of three-fourths of the members of the city council. The former body is required to consider carefully the conditions and value of the franchise and to fix rates of charge to the public, compensation to the city,



and other terms. Most significant is the limitation of the duration of franchises to twenty-five years, although the city may agree to renew the grant to the same persons at a fair revaluation for not more than twenty-five years longer.

The mayor of Greater New York is to have a four years' term instead of two years, as before. He retains the sole power of appointment, but his right of summary removal is restricted, as under the previous law, to the first six months of his term of office—contrary to the advice of Mayor Strong, who wished it made absolute. There is still little uniformity or system as to the composition or term of office of the various departmental heads, some of which are single officers, others boards of varying size and character.

*Municipal Franchises.*—The recent and growing popular agitation concerning the management of municipal property, works and privileges is beginning to bear fruit in legislation. A large proportion of our states now allow cities and towns themselves to construct and operate lighting as well as water plants. Washington last year went further and authorized the establishment of municipal street railways. Especially is there a tendency to regulate the granting of franchises to private individuals and companies. The chief advances are in limiting the duration of such grants, in demanding some commensurate payment for them, and in making them subject to direct popular control. The provisions of the new charter of New York in this regard have just been described. Far more radical is a Kansas law of 1897, which, however, applies only to light, heat, power and water plants. This act requires the grantees of franchises to report in minute detail the exact cost of constructing their plant, and semi-annually thereafter the exact receipts and expenditures of every sort. A profit of six per cent per annum is to be allowed on the actual investment shown by these statements, and the entire surplus of receipts is to go to the public treasury, unless a higher allowance be made to the holders of the

franchise by consent of three-fifths of the taxpayers. No grant may be for more than twenty years, and after ten years the municipality may buy the plant at an appraised valuation. This law, imposing terms even more severe than those regulating public franchises in any European city, will, if strictly enforced, probably hinder investment of capital in municipal enterprises and, while perhaps just theoretically, may prove of doubtful expediency. Had provision been made for sharing between city and franchiseholder the surplus profits, the law would be more advantageous.

Several other states have adopted the practice of requiring franchises of all sorts to be disposed of upon competitive bids. While this system may prevent jobbery, in part, experience shows that it does not ordinarily win for the public a reasonable payment for privileges granted. Real competition is seldom possible, especially in the case of renewals or additional grants after one corporation has become thoroughly established. California, adopting this practice in 1897, prescribes further that the minimum payment to the municipal treasury for any kind of public franchise shall be three per cent of the gross receipts. No payment whatever is to be made, however, during the first five years of the grant. Wisconsin has passed a somewhat similar law, whose adoption is left to local option. The municipality is to fix such conditions as it sees fit as specifications in advertising for bids. Annual reports of gross receipts must be made by grantees of franchises, whether percentages upon them are demanded or not. The terms of franchises may not be altered without consent of the holders. Regarding light and water plants it is further enacted by another law that any proposed franchise may be submitted to popular vote and must be so submitted if twenty per cent of the voters petition. Minnesota prohibits all perpetual franchises, and provides that, if privileges are made exclusive, they must be limited to ten years and approved by popular vote. This latter provision signifies

little since evidently a large proportion of such grants, though not exclusive formally, are so practically.

Specific conflicts concerning public monopolies in New York City and in Chicago led last year to the enactment of two laws, one marking a partial, the other a complete surrender to the corporations. The well-known enormous profits of the gas companies in the former city led to a movement to reduce the price by law from \$1.25 to \$1.00 per thousand feet, but the companies succeeded in modifying the bill so that the reduction will take place gradually, by five cents each year, instead of summarily. A measure really designed to prevent the Chicago city council from reducing street car fares took the form of a general act declaring that the right to charge five cent fares, granted by existing ordinance in any city, may not be taken away during the term of the original franchise; and that city councils may extend any street railway franchise,—without the consent of abutting property owners which is required for the original grant,—for fifty years, the rate of fare to be not more nor less than five cents during the first twenty years. On new grants the fare may be fixed at any rate not over five cents, but may not then be altered for twenty years.

*Miscellaneous Legislation.*—Some of the numerous important laws of a less directly political or municipal character may be briefly mentioned. New and interesting is the Pennsylvania act requiring that all employers of unnaturalized foreigners must pay three cents per day tax for each alien laborer during his employment. The preamble of the law frankly states its purpose to restrict unfair competition with citizens. Employers must also pay poll and other taxes assessed against such laborers, deducting them from wages.\*

\* The act was declared unconstitutional, in the case of *Fraser vs. McConway*, by the United States Circuit Court for the Western District of Pennsylvania, on August 26, 1897. (Reported in *Pennsylvania District Reports*, Vol. vi., p. 535.) The case has been appealed to a higher court, whose decision is pending.

The apparently great success, during the short period of its operation, of the New York law of 1896, prohibiting the contracting out of convict labor and providing that prisoners shall be employed only in manufacturing goods for use in public institutions, has led several states to take steps in the same direction. Indiana alone adopts a thoroughgoing measure on the New York pattern, but Massachusetts, Nebraska, Michigan, Tennessee and North Dakota have passed partial or preliminary acts with this end in view. Another prison reform movement which has made rapid strides of late years is that providing for indefinite sentences and paroles, except in the case of most heinous crimes, or of habitual criminals. Indiana, Connecticut, Idaho and Alabama last year passed laws, of varying degrees of fullness and excellence, on this important subject. The practice already adopted by various states, of placing the pardoning power of government, so often abused, under the co-ordinate control of a board of several members, was further introduced by Minnesota, Illinois and Washington in 1897, while Delaware's new constitution and a proposed constitutional amendment in North Dakota provide also for boards of pardons. Colorado has abolished capital punishment.

Arkansas, apparently under populistic influence, has established an *ex-officio* board to construct and operate one or more state railways. Wishing to avoid the experience of Tennessee, which earlier burdened itself with a heavy debt by building railways, Arkansas provides that the road shall be paid for by donations of money and land from local authorities, and by the issue of bonds secured solely by the road itself, and not binding the state as such. Whether such capital will keep such an enterprise is questionable.

The Torrens land transfer system was adopted by California in 1897, while Illinois revised her law of 1895 so as to cure the unconstitutional features pointed out by the courts.

Inheritance taxes continue to grow in favor, and direct inheritances are coming more and more to fall under levy,

although at a lower rate than collateral inheritance. Montana and Minnesota last year established the tax on both kinds of inheritance, while Connecticut and Pennsylvania, which already had the collateral tax, have extended it to direct inheritances also, the former at one-half of one per cent on all property above \$10,000, the latter at two per cent on all above \$5000. A law introducing a strongly progressive rate into the existing collateral inheritance tax was adopted by the New York legislature, but was vetoed by the governor. North Carolina and South Carolina have both adopted progressive income taxes, perhaps the most radical tax legislation yet passed among our commonwealths. The former state levies five per cent on income from property not otherwise taxed, one-half of one per cent on income from salaries and fees, and from one-fourth of one per cent to two per cent on all other incomes according to their amount, the highest rate applying to all incomes over \$20,000 yearly. The South Carolina law proposes to tax incomes from whatever source at a rate graduated from one per cent on those between \$2500 and \$5000 to three per cent on those above \$15,000. It is to be feared that the imperfect tax machinery of these southern states will fail to give a fair test of the working of the progressive income tax.

E. DANA DURAND.

*Stanford University.*



## PROPOSED REFORMS OF THE MONETARY SYSTEM.

The most obvious defects of the present monetary system of the United States are its rigidity, the large proportion of credit-money, and the isolation of the ultimate redemption agency, the National Treasury, from the loan market. Other defects, such as variety in the form and legal tender quality of government obligations, are not grave; they do not menace public credit or the standard of value. Fortunately, the grave defects mentioned are so closely related that if any one is corrected, the other two must cease to cause much annoyance. If the system is made elastic, some of the causes leading to the exportation of gold and to embarrassing demands upon the treasury will cease to exist; or if the volume of credit-money is reduced, gold will be more abundant and will be more easily obtained when wanted for export; or if the business of issue and redemption can be deputed to a governmental bank similar to the Bank of England or the Bank of France, sufficient control of the loan market can be obtained to check movements of gold due to temporary irregularities of the money supply. A plan for the improvement of the monetary system must be appraised by its promise to yield one or more of these desirable results. The purpose of this paper is a critical examination of two plans recently laid before Congress and known respectively as the Gage plan and the Monetary Commission plan.

The Monetary Commission is an unofficial body of twelve men appointed as the result of a national convention of bankers and business men at Indianapolis in January, 1897. The members of this commission are men of experience and ability. They devoted several months to the study of the financial question and to the sifting of "plans" and suggestions submitted for their consideration. They finally

agreed upon a plan, and published it with a "preliminary report," in January, 1898. A bill embodying the provisions of this plan has been introduced in the House of Representatives.

The commission pointed out nine defects in the system, which may be briefly stated as follows: (1) The vast amount of government credit currency. (2) The continuance in circulation of government demand obligations. (3) The lack of provision for increasing the volume of the currency with the growth of the country. (4) The inelasticity of the system. (5) The imperfect distribution of loanable capital. (6) The confused functions of the treasury. (7) The diversity in the forms of government credit-money. (8) The circulation of silver dollars of a nominal value greater than their bullion value. (9) An unscientific bank currency. The third defect noted by the commission is, if I understand it aright, the expression of a very mischievous fallacy. It is stated as follows:

"The failure to provide the means for a gradual and sufficient increase of the volume of the currency to meet the needs of an increasing population and an enlarging commerce."

That statement assumes that the money supply in a system based on the free coinage of a metal is not always self-regulating and sufficient, a fallacy which encouraged many votes for the Bland-Allison Act in 1878, and for the Sherman Act in 1890. It implies that we must make some special effort to prevent a scarcity of money as the country grows. One might suppose on the first reading that reference is here made to the inelasticity of the present system, to its incapacity to adapt itself to temporary fluctuations in the demand for money; but as that fault is clearly described in the commission's fourth "defect," the inference is unavoidable that the commission believes the future needs of the country must be satisfied with paper or credit-money rather than with gold. The correctness of the inference is confirmed by the details of the commission's plan, for under its

operation any increase in the currency needs of the country would be met by an increase of credit-money. Yet, that the framers of the plan do not foresee or desire such a result is evident from the statement of their first "defect:"

"The vast amount of government credit currency without a certain and adequate provision for its redemption, and the consequent diminution of public confidence in the gold standard."

#### PLAN OF THE MONETARY COMMISSION.

The plan of the Monetary Commission proposes to create a separate division of the treasury for the issue and redemption of government credit-money, all kinds of which, except silver certificates, are to be redeemed in gold; to retire gradually all government notes within the next ten years; to protect the gold reserve by giving the Secretary of the Treasury authority to borrow in three different ways; and to establish a bank circulation unsecured by bonds, but protected by the joint liability of the issuing banks. The following is a more detailed summary:

1. **ISSUE AND REDEMPTION.**—To create a separate division of the Treasury, in which shall be deposited funds held against outstanding gold, silver and currency certificates, silver bullion behind the Treasury notes, and the guaranty and redemption funds of national banks; also gold equal to 25 per cent of all government notes and 5 per cent of all silver dollars (a total of about \$136,000,000). Redeem in gold all forms of government credit-money, including silver dollars, but not silver certificates, which shall be redeemed in silver dollars. Silver certificates shall be in denominations under \$10; all government and bank notes \$10 and above. Gold and currency certificates not to be reissued.

2. **GOVERNMENT NOTES.**—They shall be paid out only in exchange for gold coin and currency certificates; except that the secretary, at his discretion, may use them for the purchase of United States bonds. Government notes shall be canceled as follows: \$50,000,000 at once, then for five years dollar for dollar, as bank notes increase; after five years one-fifth each year, all being canceled after ten years.

3. **GOLD RESERVE.**—It must be kept large enough to maintain confidence. The secretary may replenish it from surplus revenues or by sale of silver bullion at his discretion, or by borrowing in one of three

ways: (1) by sale of 3 per cent twenty-year gold bonds payable after one year; (2) by sale of 3 per cent gold certificates of indebtedness payable in one to five years; (3) by borrowing at not over 3 per cent in sums not less than \$50, through sub-treasuries and post-offices, keeping record of loan on books and not issuing either bonds or certificates.

4. **BANKING.**—Issue of bank notes to be limited to capital. Lowest denomination \$10. Repressive tax of 2 per cent per annum on notes in excess of 60 per cent of capital and under 80 per cent; and of 6 per cent on notes in excess of 80 per cent of capital. The notes to be legal tender to national banks and to the government, duties on imports excepted.

(a) *Security.*—(1) Deposit of United States bonds equal in value to 25 per cent of capital, their value being fixed by secretary on 3 per cent basis. After five years this bond deposit shall be reduced one-fifth annually, ceasing after ten years. (2) A common guaranty fund in gold coin equal to 5 per cent of circulation; in case of its impairment all banks to be liable to assessment. (3) Notes to be first lien on assets of issuing bank. (4) Personal liability of stockholders to extent of stock.

(b) *Redemption.*—Each bank must maintain in the Treasury a redemption fund in gold coin equal to 5 per cent of its circulation. The present system of redemption by the government to be continued, sub-treasuries becoming redemption agencies.

(c) *Retirement of Notes.*—Proportionately to its payments of lawful money to the Treasury a bank's circulation to be treated as "reduced," and its liability to the guaranty fund correspondingly diminished.

(d) *Reserve.*—The present reserve requirements against deposits to be continued, but a bank shall not count its deposits in the redemption or guaranty funds as part of its reserve, nor its own notes as part of its cash assets. One-fourth of a bank's reserve must be "coin" held in its own vaults. No reserve required against circulation.

(e) *Miscellaneous.*—(1) Banks of \$25,000 capital permitted in places of 4000 population or less. (2) Branch banks should be authorized. (3) A tax of one-eighth of 1 per cent per annum on capital, surplus and undivided profits to cover expenses of the Treasury. (4) Existing banks must reorganize within one year.

It is the evident purpose of this plan to provide an elastic bank currency, to reduce the amount of government demand obligations, and to relieve the strain upon the National Treasury. If it were adopted, would it really result in an

improvement of the monetary system? After a careful and candid consideration of all the measures involved I am compelled to conclude that it would not. The proposed banking system is the vital feature of the plan; upon its successful operation the success of the whole depends. In its general character the banking plan is an application of the "Banking Principle," yet it is not a fair illustration of that principle; several important provisions are entirely new and have not the sanction of experience, while others have in the past been proved unsound. As a result of the defects of the proposed banking system it is most probable that the plan would not lessen the proportion of credit-money in existence, nor yield an elastic currency, nor lighten the burden of the United States Treasury. It is to be feared, indeed, that the plan, instead of removing present evils, would aggravate them and also add to their number. It would tend to diminish rather than to broaden the gold base of the monetary system; it would alienate from the national bank system some of the best banks in the country; it would supply inducements for contraction at times when there is greatest need of expansion; it would leave a door wide open for fraudulent practice. Unfortunately, the objectionable features of the plan cannot be removed simply by modifications; most of them are vital, and the plan must stand or fall with them. I will discuss the defects of the plan categorically.

First. *The plan would not lessen the proportion of credit-money in the currency.* It would merely substitute bank notes for government notes. At the present time the credit-money in use in the United States, including national bank notes, amounts to about \$1,100,000,000. It is estimated that there is also in use about \$700,000,000 in gold. The experience of this and other nations warrants the opinion that this is too large a proportion of credit-money. Our gold constitutes only about 35 per cent of the total money supply, whereas in England it is 72 per cent, in France 62 per cent, and in Germany 70 per cent. Even Russia, which has only just



adopted the gold standard, has a currency consisting of 50 per cent gold. The United States, being one of the largest commercial nations of the earth, must always be prepared to face a large adverse balance of trade, requiring large exports of gold to foreign countries. Our experience during recent years has certainly made it plain that we should be in a position to spare several million dollars of gold at any time without exciting the apprehension that we are likely to depart from the gold basis. The supply of gold in the country should be so large that every bank can easily keep the greater part of its reserve in that metal. At the present time banks hold but a slender stock of it, and when alarmed over the outlook are tempted to add their demands to those of exporters, thus increasing the drain upon the National Treasury. It seems necessary, therefore, that any plan for the improvement of our currency which looks toward the permanent establishment of a sound system should provide for the enlargement of the gold basis. This the plan of the Monetary Commission fails to do. It proposes to retire the greenback and Sherman note, and to put in their place bank money, dollar for dollar.

It is possible, indeed, that the plan would increase the need of gold in the currency. The only kinds of money available for banking reserves would be gold, silver dollars and silver certificates. Of the silver money there would be about \$450,000,000, and over half of it would be outside of banks in active use among the people, for the silver certificate would be the only paper money in denominations under \$10. On October 5, 1897, the national banks held in their vaults \$389,000,000 in cash, and the state banks about \$170,000,000. Of the \$559,000,000 thus held by banks, \$240,000,000 was in gold, the rest being in silver and government notes. If the government notes are to be cancelled, something must be found to take their place in bank reserves. Since sufficient silver certificates would not be available, it may be argued that the banks must increase

their holdings of gold, and hence that the gold base of the monetary system would be broadened. It is possible that the plan would yield those results, but there are reasons for fearing that it would not. Experience has shown that under a system permitting the prompt issue of notes against general assets a smaller cash reserve is necessary than under a system permitting note issues only against deposits of coin or bonds. Of the \$389,000,000 cash held by the national banks last October \$100,000,000 was in excess of the law's requirement. Such an excess of cash is not desired even now and would certainly not be if the banks had the power to issue notes freely, particularly if their notes were so guaranteed and protected that their customers regarded them as practically equivalent to legal tender money. Again, banking institutions outside of the national system would find the new bank notes excellent substitutes for legal tender money. The bank notes would be easier to get in convenient form than gold or silver certificates, and would perform all the functions of either. Finally, even if the banks should increase their gold holdings, gold would not necessarily be added to the money supply. Under the plan, the National Treasury, as the government notes were retired, would reduce its holding of gold by about \$100,000,000. This gold would be available for use in bank reserves, and if still more were needed the banks would doubtless attract to their vaults part of the gold estimated to be in the country at present outside of banks and the treasury.

Thus, while it must be admitted that the plan might tend to lessen the proportion of credit-money, yet that result is not certain, nor even probable. The framers of the plan have apparently not thought it a result to be desired; they have, it would seem, consciously endeavored to construct a system that would put a bank note into the place of every government note that may be cancelled.

Second. *The plan will not make the currency elastic.* This defect is due to two provisions, that which makes the new

bank note legal tender in payments to banks and to the government, and that which makes all banks jointly liable for the notes of failed banks. These provisions will tend to render the bank currency rigid and inelastic. They will evidently secure to each note a much larger sphere of usefulness than it would possess if issued on the credit of a single bank. Bank notes having such qualities and so guaranteed, bulwarked also by the pledge that all the power and machinery of the government will be used to secure their redemption, will be accepted by the individual quite as readily as if they bore the government's unconditional guaranty. No man will hesitate to accept a bank note or inquire into the credit of the issuing bank if on its face it bears the assurance that all banks will accept it and the government receive it in payment of dues. Such a note, while it cannot form a part of the reserves of national banks, will be as good as any other kind of money for all state banks, private banks, savings banks, and trust companies. In fact, there is no reason why, if this plan is adopted, three-fourths of the money payments of ten dollars and above throughout the country should not be effected by the use of national bank notes. Excepting in the vaults of national banks, they will everywhere be as serviceable in the currency as a gold certificate.

It is possible for a bank note to be altogether too "good," just as a kite-frame may be too strong if strength is obtained at the expense of lightness. A bank note is too "good" when its "goodness" is obtained at the expense of elasticity, when its security is so great and its ultimate redemption so certain that it possesses practically all the utilities of money and so fills a permanent place in the circulation. A bank note is merely a bank's promise to pay money, and is entitled to acceptance and circulation solely because of the public's confidence in the promisor. The excuse for its issue is the fact that it is cheap and can be put forth exactly when wanted, so that if a community's needs for currency

suddenly increase, they may be promptly satisfied by the bank note. It acts upon prices exactly like any other form of credit, namely, by lessening the demand for money. If banks are unable to issue notes, evidently the increasing needs for currency in a community can either not be satisfied at all, so that prices will fall, or money must be imported into the community from outside. As a rule, money will not be brought in until its importation has been made profitable, either by a rise in the local rate of interest, or by a fall in local prices, either of which is always injurious to the interests of business men and producers. A monetary system which tends to prevent fluctuations in prices or rates of interest is better than one which does not. Under our present system, as is well known, the varying needs of localities can only be satisfied by shipments to and fro of currency, for the banks are unable out of their own resources to satisfy them. The national banks are not poor in credit. The experience of the public with them for thirty years has given them a strong hold upon general confidence. They have an abundance of credit, but in times when a locality's needs for money rise above the ordinary, they cannot make the most effective use of it. If at such times they were able to coin their credit and issue it in the form of authorized bank notes, those pieces of coined credit, even though unguaranteed by the government and possessed of no legal tender power, would serve in the community all the purposes of money and save many a business from the distress which is occasioned by a temporary shortage in the current medium of exchange.

It is important to notice the distinction between a bank note of the kind here briefly described, which resembles a certified check payable to bearer, and a bank note which bears the government's guaranty. The former will have a narrower field of circulation than the latter. It is issued because of local needs, and its usefulness will mainly be restricted to the local circulation; it will not pass beyond the

limits of the bank's credit, but will circulate only where the bank is known. There it will have value and acceptability, just as a certified check has value and acceptability within the radius of a bank's field of activity. There is no reason why it should be good both in Maine and Texas. The man who says he wants nothing to do with a bank note that is not good all over the country, could with just as much reason object to a fine painting because it does not satisfy his sense of hearing. He has a fundamentally wrong idea of the one important service a bank note can perform. The guaranteed bank note, which rests upon the credit of all banks and upon the government, will be equally good in Maine or Texas. It will disappear from the locality of the issuing bank as quickly as a greenback or gold certificate, and will tend to become, therefore, a permanent part of the country's circulation. The unguaranteed note, when the exigency calling it forth has ceased to exist, will be treated like a check or draft and presented to the bank either for redemption or on deposit. When the bank's customers want credit in a form available for distant payments, they will deposit the bank note and use the bank's credit in other forms. The guaranteed note, however, whether guaranteed by the government or by all the banks of issue, being as good in one part of the country as in another, will slip away from the locality of the issuing bank and remain in circulation long after the local need for money has resumed its normal dimensions. Consequently, while we secure expansion with a guaranteed note, we can by no means be certain that we will have prompt contraction as the needs of business diminish. The guaranteed note is too good a piece of paper. It resembles money too closely, being everywhere acceptable. To be sure, it may finally be presented for redemption at some distant point, and in time be returned by the government to the issuing bank. But that process will be slow. In the meantime mischief may have been done through a possible inflation of the currency and an unfavorable turn



in foreign exchange, due to a temporary redundancy of the money supply.

It may be urged that some of the most successful banks of Europe issue notes possessing full legal tender power, and therefore that the plan of the Monetary Commission should not be criticised on this score. A rapid comparison with European systems will show that no parallel exists. The notes of the Bank of England need not be considered, for they are secured by the deposit of securities and gold equal in value to the face of the notes. Practically, they are gold certificates. The notes of the Bank of France, however, which are legal tender everywhere excepting at the bank, are secured solely by the miscellaneous assets of the bank. The Bank of France has been one of the most successful of the great banks of Europe, but it is a mistake to assume that its career warrants the issue of legal tender notes as provided for by the plan of the Monetary Commission. It is one thing to permit the issue of such notes by a single great institution, closely connected in its organization and management with the government, and quite another thing to authorize such issue by 3600 isolated, independent institutions. The Bank of France, again, is the only institution in France from which gold can be withdrawn for export. The government and the public hold it responsible for the maintenance of the public credit and the standard of value. The bank, therefore, is restrained from over-issue of notes by the strongest motives of self-protection. If embarrassment seems likely to result from withdrawals of gold, it has at hand an instant remedy, for it may raise its discount rate and thereby restrict its note issues, thus correcting the redundancy of the circulation and easing the rates of foreign exchange. In this country, however, the 3600 issuing-banks would be influenced by no motive leading to a reduction of their circulation. The National Treasury would be obliged, then as now, to bear the burden when foreign exchange rose to the export point. The banks

would feel no responsibility on this score, and would continue to force into circulation as many of their notes as possible. That is, in fact, exactly what they did in 1894 and 1895, when the new issues of government bonds depressed the prices of government securities and so increased the profits on the issue of national bank notes. The banks increased their circulation and unconsciously inflated the currency at the very time when the government was doing its utmost to prevent inflation and check the exportation of gold.\*

The banks of Belgium, Holland, and Sweden, whose notes are legal tender, are in a position very similar to that of the Bank of France. Each of them is closely related to its government, and must supply the gold that is demanded by exporters. Each of these banks, therefore, is able to regulate the volume of the domestic circulation, and is under a powerful inducement to check any tendency toward over-issue.

Third. *The plan of the Monetary Commission will not lessen the strain upon the National Treasury.* Although the greenbacks and the Sherman notes will no longer be in existence, their places will be taken by bank notes. There will also be in existence about \$450,000,000 in silver coin and certificates, the latter all being issued in ones, twos, and fives. The silver dollar is to become a direct obligation of the government, redeemable on demand in gold. Inasmuch as the bank note has to be redeemed by the government in legal tender money, it is evident that the holder of any kind of money, whether silver certificates or bank notes, may demand gold from the government. Indeed, a man who has a credit at any bank can convert that credit instantly into a gold obligation. If the government wishes to put difficulties in the way, the utmost it can do is to compel

\*The unsatisfactory working of the national bank note system in 1894 and 1895, I have described in some detail in the *Bankers' Monthly* for June, 1897, and in a "Discussion of the Interrogatories of the Monetary Commission," published for the University of Pennsylvania.

him first to exchange his bank notes or silver certificates for silver dollars and then exchange the silver dollars for gold. It is difficult to see, therefore, how the government's position would be improved by the substitution of these bank notes for government notes. The treasury's position will, indeed, be fortified by the secretary's right to borrow at discretion for the replenishment of the gold reserve, but the exercise of that right will never be regarded with complacency by the country and should be treated as a last resort for protection against unforeseen and unusual emergencies. It may be left entirely out of account when considering the advantages of proposed modifications of the monetary system.

Doubtless, the framers of the plan assumed that the elasticity of the bank note circulation would result in a diminution of the demand for gold for export purposes. If the bank note circulation should prove to be genuinely elastic, expanding and contracting with the needs of the country, their assumption would undoubtedly be justifiable. Except in extraordinary times, the exportation of gold is always the result of a redundant money supply. This is a truth which economists and intelligent bankers have well understood for one hundred years. It was demonstrated in the famous Bullion Report of 1810 by a committee of English financiers and statesmen. It is plain, therefore, that if a bank note currency tends to reduce its volume as the demand for money decreases, it is an automatic corrective of redundancy, and so must lessen the necessity for gold exports. In like manner, by its expansion, it renders unnecessary the importation of gold because of a temporary increase in the need for money. The Monetary Commission, therefore, if it proposed an elastic bank currency, would be justified in hoping that its plan, even though it does not add to the gold in the country, and still leaves the government liable for the redemption of all forms of a large mass of credit-money, would lessen the exportation of gold and hence lessen the demands

upon the treasury. Unfortunately, however, as I have already shown, in consequence of the legal tender quality of the bank note and its conditional guaranty, there is danger that it would be less prompt in seeking retirement than in seeking issue. There can be no doubt about its expansion. Every banker would be prompted by the strongest motives of self-interest to force upon his customers his own notes; but those notes, when once out, because of their acceptability, because of the wide field in which they could operate and perform the services of money, not only would fill a large place in the circulation permanently, but would come in slowly for redemption.

Fourth. *The plan of the Monetary Commission will tend to increase the proportion of credit-money.* Not only does the plan provide for no enlargement of the gold base of our monetary system, but it takes a step in the opposite direction, for its operation would probably result in the proportionate diminution of that base. It is evident that if the present system be continued, no more credit-money being issued by the government, either of paper or silver, and no additional bank notes, the amount of gold in our currency will gradually increase with the growth of the country. As the demand for money increases in consequence of a swelling tide of business and of an increased population, the new gold from our own mines will be coined at our mints and find employment here at home. There will be a natural, gradual, almost unperceived augmentation of the gold base of our monetary system. That base has within the last five years been increased by about \$200,000,000, but the gain was effected by a conscious, expensive and painful process, the issue of bonds. After 1878, in spite of the fact that we were adding silver credit-money to the circulation, there was a gradual and healthy increase in the gold supply. The estimated amount of the stock of gold in 1878 was \$213,000,000; in 1888 it was \$711,000,000, which is also about its present amount. Since 1888 our net exports of gold have amounted to about

\$325,000,000. In that period we added to our supply of credit-money about \$250,000,000. A student who has mastered even the elements of finance, knows well enough that but for the issue of the credit-money we should have kept at home \$250,000,000 of the gold which we lost in those years.

Now, there is reason to believe that if the banking plan of the Monetary Commission is adopted, we shall go on, as in the last decade, satisfying our growing demand for currency with credit-money rather than with gold. My fear on this score is based again on the fact that the plan proposes for the country a bank note of excessive usefulness. As we have seen, these bank notes will be available for almost all the functions of money that can be performed by notes of ten dollars and above. The only place where they will be valueless, as compared with legal tender money, will be in the reserves of the national banks. Inasmuch as it will be to the interest of every national banker in the country to obtain for his notes the largest possible circulation, since they cost him practically nothing and all income from them is pure profit, is it not probable that as the growth of the country occasions need for new currency, these bank notes will be forced into the vacuum? Among individuals, because of their guaranty and acceptability with banks and with the government, they will be indistinguishable from legal tender money. Consequently, the conclusion seems inevitable that as the country grows, the volume of bank money will expand and the volume of gold remain stationary. Thus, as the years go on, the ratio of standard money to credit-money in the circulation, instead of growing larger, thereby rendering our system more and more sound and secure, will steadily grow less, until the gold movements from the country will seem even more fraught with peril than now.

Fifth. *The best banks would probably not take out circulation.* This defect of the plan of the Monetary Commission



grows out of the joint responsibility which the banks must assume for the redemption of all bank notes. A bank when taking out its circulation must deposit in legal tender money an amount equal to 5 per cent of its circulation. This deposit is known as the guaranty fund. If a bank fails and its assets are not sufficient for the redemption of its outstanding notes, the government draws upon the guaranty fund, and other banks are at once assessed for an amount sufficient to make good the impairment of the fund. The assessment is proportionate to the amount of each bank's circulation. Evidently there is a possibility, in case of panic, speculation, and bad banking, that the guaranty fund may be many times exhausted and the solvent banks heavily assessed. It will not do to assume that banks will be managed with the same conservatism that has characterized the operations of national banks during the last thirty years, for the plan not only makes the business of banking more profitable than it has been, but introduces entirely new features into banking, so that we are not justified in assuming that the ratio of failures in the future will be practically what it has been in the past. Therefore, the fact that the safety fund during the last thirty years would have been very slightly impaired by bank failures cannot be taken as a basis of estimate with regard to its probable impairment under the plan suggested by the Monetary Commission.

At the present time the capital stock of national banks amounts to about \$650,000,000 and of state banks to about \$230,000,000. If the profits of banking under the new plan prove greater than under the old, more capital will enter the business, the state banks will probably be converted into national banks, and the total capital stock of national banks will be indefinitely larger than at present. There are now about 3600 national banks; what the number would be if this plan were adopted can only be conjectured. We should have several thousand banks, scattered in all parts of the country, authorized to issue notes against their assets, and for

the ultimate payment of these notes all the banks would be jointly responsible. The soundest and most conservative banks in the country would not enter into a scheme of this sort. It would be a blind pool in which losses, not profits, are divided. No banker likes to assume an indefinite liability. His whole training makes him shrink from entering any scheme, no matter what the promise of profit, which may make him share losses due to the misfortunes, the stupidity, or the fraud of men with whom he has no business dealings. Under this plan every banker would be, in a sense, a member of an unlimited partnership. He would be unacquainted with his partners and unable to regulate their conduct. In all probability this view of the case would present itself so forcibly to our best bankers that they would issue no notes at all. The plan does not compel the national bank to issue any circulation; consequently, those banks that desired to be absolutely certain of their solvency, or at least to have their liabilities entirely within their own control, would doubtless continue merely as banks of deposit and discount. Hence, in all probability, the notes issued under this plan would not be secured by the assets of many of our strongest banks. They would be put forth by bankers willing to take chances in order to pay large dividends. Every business man knows that banking of that sort should not be encouraged.

Sixth. *Under the Monetary Commission's plan contraction might naturally result when expansion was most needed.* Let us grant that the plan is approved by the bankers of the country and that they do issue a circulation of \$670,000,000, which is equal to the outstanding greenbacks, Sherman notes and present bank notes. What would happen in case a panic threatened? That is the time when a scientific bank note system is capable of most service to the country. Then the demand for money increases with frightful rapidity, and unless the volume of the circulating medium is increased, interest rates rise and prices fall, throwing many individuals

and firms into undeserved bankruptcy. At such a time the demand for loans is not a demand for capital, but a demand for the medium of exchange. Individual credit is in a state of collapse; creditors are not satisfied with the individual's promise to pay; they demand payment in a medium of general acceptability. At the outbreak of a panic public confidence in the solvency of banks is not lessened. The credit of banks, therefore, when issued in the form of a circulating medium, is able in the beginning to satisfy the increased demand for money, and if it is permitted to do so, that acute stage of a panic which is marked by runs on banks and is the result of a general loss of confidence, may be prevented.

Would such a healthful expansion take place under the plan of the Monetary Commission? On the contrary, many bankers would be under strong temptation to reduce rather than to increase their circulation. The first duty of a bank is to guard against its own insolvency. It is the custodian of other people's money; it must protect them against loss. If a bank manager foresees failures among business men and among banks, whatever the cause, whether excessive speculation, the misuse of capital, or the threat of war, he seeks at once to strengthen the position of his own bank. He cannot restrict his loans arbitrarily, for that would tend to precipitate a panic in his own locality and bring ruin upon his own customers. Such a policy is now well understood among bankers to be short-sighted and liable to react with injury upon the bank. But under this plan there would be one liability from which he might escape, his liability for the redemption of the notes issued by other banks. His inability to measure the danger would increase his anxiety to be rid of it. I believe, therefore, that many of the stronger banks, as soon as there was fear of panic, would promptly forward legal tender money to the nearest sub-treasury and cancel their note circulation. This action would be permitted under the plan, which provides as follows: "Any bank may

deposit any lawful money with the treasurer of the United States for the retirement of any of its notes; whereupon the comptroller shall direct the repayment to such bank of whatever sum may be the unimpaired portion of said bank's contribution to the guaranty fund on account of said notes." Thus, there is danger that the plan, instead of giving the country a larger volume of money in times of distress, would cause a contraction of the currency and so aggravate the very evils which a bank note circulation designed to alleviate.

Seventh. *The Monetary Commission's plan offers easy opportunity for fraud.* A bank act constructed upon the principles of this plan would, in my opinion, prove a veritable Klondike for the swindler. If the plan were in operation, a half dozen men of the class who make their living off the weakness and stupidity of the public, if they could raise \$54,000, could without difficulty establish a bank in any locality. They could issue notes up to \$30,000 merely upon the deposit of \$3000 with the government, and could issue an additional \$10,000 upon making a deposit of \$1000 and the payment of a 2 per cent tax, or \$200. Thus their total payments to the government on a circulation of \$40,000 would amount to \$4200. Possibly they might secure deposits from the community, but theoretically that would not be necessary. Having loaned their capital and notes to confederates, in due time they could cause the bank to be forced into insolvency. Their gross profits, since the bank notes would be easily converted elsewhere into legal tender money, would amount to about \$35,000, and the whole transaction need not occupy the gentlemen engaged in it for over two weeks. I do not mean to imply that such operations would be conducted quite so brazenly as I have assumed to be possible, but that possibility would exist, and beyond question the country contains a number of men who would make the most of it, even though in order to avoid the necessity of flight from the country they

should be obliged to maintain for some months or years an apparent honesty of purpose as bankers. It will be noted that I have assumed in my illustration that no deposit of bonds is required as security for the notes. The plan, indeed, provides for a deposit of bonds equal to 25 per cent of the capital, but at the end of ten years this requirement is to cease. I have chosen to consider the manner in which the plan would operate after it had reached its ultimate form. The bond deposit would, of course, reduce the profits of the swindlers by at least \$12,500, leaving the gross profit about \$23,000. I think even that sum would be sufficient to induce more than one man of easy conscience to take up the study of banking.

Such, as they appear to me, are the objections to the plan of the Monetary Commission. Are they not equally applicable to any plan for the issue of notes against assets? Am I not simply repeating old objections to the "banking principle," arguments of the kind that resulted in the Bank of England's adoption of the "currency principle?" Questions of this sort are probably in the minds of those readers who are convinced that no bank notes should be permitted unless they are based upon security equal in value to their face. In order to answer these questions and show that the defects of the Monetary Commission's plan are not inherent in any plan based upon the "banking principle," I will briefly compare it with the Canadian and other systems. Such a comparison will make it evident that the plan is not the product of experience, but of theory.

The plan differs in four important respects from the Canadian system. First, Canadian bank notes are not fully guaranteed even by the banks. The Canadian Safety Fund of 5 per cent, may be utilized for payment of the notes of a failed bank, but the solvent banks are not liable to indefinite assessment. The law provides that the assessment for the repairment of the safety fund shall not in one year exceed 1 per cent of a bank's circulation. Thus



Canada bankers know the worst which they may have to face on account of the mistakes of their competitors.

Second. The Canadian bank note is not legal tender for any purpose whatever. Hence its place in the circulation depends entirely upon its acceptability among the people. It is merely a credit-instrument of the issuing bank, being more secure than a check or draft mainly because of its first lien upon assets. The government does not promise to redeem the notes, but compels the banks themselves to make provision for redemption. Thus their volume fluctuates just as does the volume of other credit paper, such as checks and drafts and personal notes, rising and falling with the varying needs of business.

In the third place, the creation of a note-issuing bank in Canada is not permitted until after the proposed incorporators have been subjected to a thorough investigation both by the government and by the interested proprietors of existing banks. Applicants for a bank charter must deposit with the Minister of Finance legal tender money equal to half the amount of the desired capital stock before their application is considered. During the interval which must elapse before it is granted, the fact of the application is advertised, and the investigation by the government is reinforced by the scrutiny of bankers themselves, who do not propose to have their safety fund liability increased by the establishment of a bank under men of unknown or unworthy character.

In the fourth place, there are in Canada only thirty-nine bank corporations which issue notes, and their minimum capital stock is \$500,000. The Canadian law does not contemplate the issue of notes by a large number of small institutions. It is assumed that the difficulty of supervision would be too great. The wants of small communities are easily satisfied through the agencies or branches of the large banks. Thus in Canada every note-issuing bank is liable to a limited extent for the mistakes committed by only thirty-

eight other institutions. It is possible to keep informed with regard to the condition of thirty-eight banks. Furthermore, if any one of these thirty-eight banks seems reluctant to let its real condition be known, or seems disposed to engage in speculative enterprises, its rivals can easily bring it to terms. They can refuse to accept its notes on deposit, and so bring the offending bank into very unwholesome discredit. Canadian bankers do not find it necessary to employ this method of coercion; the mere knowledge that it may be employed seems sufficient to check any tendency in the wrong direction.

But can it not be urged against the Canadian system that it tends to prevent an accumulation of gold in Canada? As Canada grows is it not likely that the bank circulation will expand and so render unnecessary an enlargement of the gold base of its system? There seems to be no reason why these questions should be answered in the affirmative. The possible circulation of bank notes which lack any legal tender quality or government guaranty cannot be estimated. Their volume will depend entirely upon their acceptability, and that is a product of two things, bank credit and the popular liking for paper money. If the Canadian preference for paper over coin does not increase and the credit of banks receives no shock in the future, it is reasonable to expect that the present ratio between Canadian credit-money and gold will continue unchanged as the country grows.

Furthermore, it should be noted that Canada's liabilities with regard to gold are entirely different from those of the United States. The United States is one of the largest gold-producing countries in the world, and is also one of the wealthiest. It is always liable to the inconvenience of a large and so-called unfavorable balance of trade. It may be called upon to export to Europe in a single year \$70,000,000 in gold. It must, therefore, have an abundance of the metal in its circulation, for otherwise the security of its monetary system may at any time seem to be imperiled. Canada, on

the contrary, is never likely to be called upon to export in a single year more than a few million dollars of the precious metal. If it cannot conveniently spare that amount from its own circulation, it easily makes a draft upon its wealthy neighbor. The United States, therefore, must be prepared to take care of Canadian balances as well as of its own. Surely we do not want a poorer bank currency than Canada has. The Canadian banking system permits an increase of the gold supply; the plan of the Monetary Commission would prevent it.

That England cast aside the "banking principle" over fifty years ago argues very little against it, for the principle was seldom if ever intelligently applied in England. English experience prior to 1844 furnishes eloquent illustration of mistakes to be avoided. During the period of restriction (1797-1820) Bank of England notes were legal tender, and the bank put them out on the principle that an over-issue was impossible so long as they were issued only in response to a genuine demand for loans. The managers of the bank did not understand the distinction between a demand for money and a demand for loans or capital. They thought that the presence of borrowers armed with good security, was an indication of an increasing demand for money, and that therefore an issue of notes in response to such demand could not result in an inflation of the currency. This fallacy was responsible for the curious opinion which many English financiers held with regard to the depreciation of the bank note. For many years it was gravely contended that the premium on gold indicated not an over-supply of bank notes, but an appreciation of gold. The managers of the bank made a second mistake throughout this period. The bank rate of discount was fixed at 5 per cent, and was seldom changed. As a result, whenever this rate was a fraction below the normal market rate, the bank had more than its just share of patronage, and its loans and note issues tended to expand at an abnormal pace. Thus for

a period of over thirty years the Bank of England, because of the misconceptions of its governors, failed to regulate properly the paper currency of England, and so brought what is now known as the "banking principle" into disrepute. Even after the resumption of specie payments the bank continued to make loans at an unvarying rate of interest, and as its notes, though not always legal tender, were universally acceptable, their issue constantly tended to keep the exchanges unfavorable to Great Britain. At the same time independent country banks were issuing notes, and were vigorously expanding the circulation with paper which was redeemable in notes of the Bank of England. The Bank of England had to bear the burden of the currency just as the National Treasury bears it in this country to-day. Consequently the country banks were not much concerned about the rates of foreign exchange, and were not impelled to reduce their circulation merely because gold happened to be in demand for export to the Continent. Their customers were content to receive Bank of England notes. Hence upon that bank fell all the responsibility for the maintenance of the gold standard. The Bank Act of 1844, restricting the issues of bank notes, was adopted in order to free the currency from the confusion and uncertainty which had resulted from the unscientific banking of the time.

It is not my purpose to offer any scheme for an issue of bank notes upon a correct principle. Such a discussion might possess some interest theoretically, but I doubt if it would have much practical value. It may be worth while, however, to suggest briefly certain possible methods of attaining the ends at which the Monetary Commission has aimed. If it is desirable that the bank note shall closely resemble lawful money, acceptable in all parts of the country, and that its volume nevertheless shall be flexible, it must be issued by the government itself. As soon as a bank note is made legal tender it loses at once its character as a piece of bank credit and acquires a larger circulation,

the people justly holding the government responsible for its ultimate redemption. It becomes essentially government money. It may be wise for the government to issue credit-money, but the government, if at all, should make the issue directly. The agency for issue would be a bank of the United States similar in some respects to the institution which Andrew Jackson forced out of existence. Such a bank, managed by officers of the government, should be a bank of deposit and discount as well as of issue. It should redeem in gold all the demand obligations of the government and should regulate the volume of its notes in accordance with the needs of trade. Through its influence upon the loan market it could in some measure control the movements of gold. Experience would show how large a volume of credit-money it could safely issue. A bank of this character is practically what Ricardo recommended eighty years ago in his well-known "Proposal for an Economical and Secure Currency." It was his idea that no gold need be coined, the bank redeeming its notes in bullion. Such a bank could undoubtedly supply the people with a safe paper currency if it were soundly and conservatively managed. It is doubtful, however, if present political conditions in this country warrant any hope that such a bank would be wisely managed even if the necessary legislation establishing it could be obtained.

There are obvious objections to the existence in this country of three thousand or more bank note issues possessing different degrees of acceptability. It was, doubtless, these objections that led the Monetary Commission to provide an extraordinary guaranty for bank notes. But the objections that can be justly urged against an unguaranteed issue by 3600 banks differing widely in resources and credit, do not necessarily hold against an issue made by one hundred large and well-known institutions. If we are to adopt a system resembling the Canadian, yielding a perfectly flexible bank note, not guaranteed nor redeemed by the



government, not legal tender, yet generally acceptable, the issue of notes must be restricted to banks of large capital. Possibly a practicable scheme could be devised whereby banks of not less than \$2,000,000 capital could put forth a safe and flexible circulation. These banks should be obliged to maintain a large safety fund, and possibly in the beginning a tax upon the circulation would be salutary as a repressive measure, for bank notes must not be permitted to cause the expulsion of gold. It would be well, also, to authorize the establishment of branch banks in order that the notes might conveniently reach the country districts; yet this feature, although it would augment the usefulness of the note and benefit communities now unable to utilize their credit, would not be essential.

It may be objected that there are political reasons why the issue of notes should not be restricted to large banks. The cry of monopoly may be raised, and no political party will be willing to shoulder such an odious responsibility. In that case, if we are to have a really useful bank note, and not a pretended bank note, starched rigid by a governmental guaranty, we must return to something like the old system of state bank issues. Such an apparent retrogression would really be progress. The bank notes which circulated in New England, Indiana and Louisiana before the war were much more useful instruments of exchange than the present national bank note. If something on the lines of the famous Suffolk system could be established in each state under an act of Congress, that made strict provisions for redemption, theoretically there is no reason why a safe bank currency of great local usefulness should not be obtained. Still better results could probably be secured by the division of the country into ten or more banking districts, and the limitation of the issue privilege to banks of at least \$100,000 capital, each district maintaining a separate safety fund. In a state or district system conservative bankers would be able to exert a most wholesome influence upon their

competitors. Self-interest would cause them to keep well informed as to the condition and methods of every bank of issue within their state or district, and to bring heavy pressure to bear upon any which excited suspicion.

The government should be very slow and cautious about interfering with the established conditions which underlie the credit operations and machinery of this country. Credit is not a product of law, or of systems artificially put into operation. It is the outgrowth of conditions which legislatures may destroy but cannot create. It would be unwise therefore to attempt to force upon the country a credit system which the business men do not thoroughly understand. Their confidence is essential to its success, and it cannot have their confidence unless they understand it. The Canadian system, or the old Scotch system of banking, which compel the admiration of the student of finance, cannot be bodily imported into the United States. They are the products of years of experience. Their evolution has proceeded under the eyes of the people, and in response to the needs of the people. That is the reason why they enjoy the confidence of the people and maintain unshaken credit even in great emergencies. A gradual change of our present banking system is, therefore, rather to be recommended than a sudden transition to one theoretically ideal.

#### PLAN OF SECRETARY GAGE.

That it aims to accomplish certain desirable ends without any radical departure from the present order of things is a *prima facie* recommendation of the plan proposed by Secretary Gage. The creation of an issue and redemption division of the treasury, which the Monetary Commission recommends, was his suggestion originally, and is part of his plan. He proposes to refund the national debt at  $2\frac{1}{2}$  per cent, and to protect the gold reserve by locking up in the treasury a portion of the government's credit-money. To prevent a contraction of the currency, he would authorize

national banks to issue notes up to the par value of the bonds deposited, and also permit them to issue, in addition to the secured circulation, an unsecured or emergency circulation equal to 25 per cent of the bonds deposited, such emergency circulation being taxed at the rate of 2 per cent per annum. The essential features of his plan are presented in the following outline:

1. **ISSUE AND REDEMPTION.**—Create separate division of treasury for issue and redemption of all kinds of government paper money. Transfer to it \$125,000,000 gold, and silver dollars and bullion equal to outstanding silver certificates and treasury notes. Do not reissue redeemed United States notes, treasury notes, or silver certificates except in exchange for the coin in which they are redeemed.

2. **REFUNDING PLAN.**—Authorize the issue of  $2\frac{1}{2}$  per cent gold bonds, redeemable after ten years at option of the United States, to be exchanged on an equitable basis for the government 5's of 1904 and the 4's of 1907; also authorize an issue of \$200,000,000 of said  $2\frac{1}{2}$  per cent bonds in addition to the amount needed for making said exchanges.

3. **BANKING.**—Limit the issue of bank notes to capital. Lowest denomination \$10. Two kinds of circulation: the first secured by United States bonds of a par and market value equal to the face of the notes; the second unsecured and restricted in amount to 25 per cent of the bonds deposited against the secured circulation. A bank must deposit bonds equal to 50 per cent of its capital before notes may be issued.

(a) *Deposit of Government Money.*—A bank, in lieu of bonds, may deposit as security for its notes, United States notes, treasury notes or silver certificates. But not more than \$200,000,000 of such government money can be so deposited, and the secretary may, at his discretion, substitute for it  $2\frac{1}{2}$  per cent bonds, the money then becoming part of the general redemption fund.

(b) *Redemption.*—Each bank to maintain in the treasury a redemption fund equal to 10 per cent of its circulation. The notes to be redeemed at the treasury and at designated sub-treasuries. "The faith of the United States is hereby pledged" to the prompt redemption of the notes.

(c) *Safety Fund.*—Each bank to pay a tax of 2 per cent per annum on its unsecured circulation; the proceeds to be a safety fund to reimburse the United States for redemption of unsecured circulation. It may be invested in government bonds.

(d) *Miscellaneous.*—(1) A tax of 1 per cent on circulation, except that issued against the deposit of government money. (2) Banks of \$25,000 capital to be permitted in places of 2000 population or less. (3) Present law as to legal tender character of bank notes not changed.

Secretary Gage's plan would increase the profits and enhance the volume of bank circulation. Theoretically it renders possible a bank note inflation of the currency, the amount of the national debt alone placing a limit upon the issue of notes. It is fair to assume, however, as Secretary Gage does, that banks will be unable to buy more than one-half of the outstanding United States bonds at prices which would make the issue of notes profitable. His plan would undoubtedly give a great boom to government securities, yet many of them are held by investors and institutions because of their security, and would not be thrown upon the market even though the price should advance. Nevertheless it must be admitted that the possibility of inflation would exist, and that should be guarded against. If the issue of secured notes under this plan were definitely limited to about \$500,000,000, objections on the score of possible inflation would be obviated, for the plan contemplates the reduction of the present circulation by about that amount. Of government money at least \$200,000,000 is to be tied up in the treasury; and the Redemption Fund of 10 per cent would tie up \$50,000,000, which is \$40,000,000 more than is in the fund at present. Adding to these sums the present amount of national bank note circulation, we have nearly \$500,000,000.

Would his plan lessen the strain upon the National Treasury? Secretary Gage holds that it would, but his reasoning is far from conclusive. He maintains that it would reduce the amount of the government's demand obligations liable to be presented for redemption at the treasury from about \$860,000,000 to \$360,000,000. He reasons in this way: \$200,000,000 tied up in the treasury, \$40,000,000 added to the Bank Redemption Fund, and \$250,000,000 tied up in the

banks and in the pockets of the people in bills of small denominations, the government having a monopoly of the issue of small notes. He is inclined to believe that exporters of gold will have difficulty in getting hold of much of the remaining \$360,000,000 of government obligations, and so will be unable to bring great pressure to bear upon the treasury. In other words, there will be a scarcity of legal tender credit-money, and banks will find it as convenient to redeem their notes in gold as in government paper. The flaw in this reasoning is the assumption that the demand for gold for export is somehow related to the quantity of government credit-money in circulation; whereas in this country it is mainly due to the inelasticity of the currency. So long as the government undertakes to maintain an absolute par between gold and all forms of credit-money it must stand ready to pay out gold whenever any of the paper for which it is sponsor is presented. Its guaranty of bank notes makes them virtually a government obligation. Unless they contract in volume when the money supply is redundant, gold will be forced from the country and exporters will get it in the easiest possible manner. Under Mr. Gage's plan, on account of the government's pledge of redemption, the bank notes of the future would probably be found as useful instruments for draining the treasury as greenbacks have been in the past.

Does the plan introduce into the currency any element of elasticity? If it does, the liability of the treasury to demands upon its gold reserve will be reduced. The secretary's banking plan is certainly a step in the direction toward the "banking principle," with its consequent elasticity of note issue. Up to 20 per cent of their capital stock, banks are permitted to issue notes secured solely by their general assets. These notes, however, on account of their guaranty and limited legal tender quality, will enter into general circulation and be indistinguishable from those which are based upon bonds. They will not remain in the vicinity of the issuing banks any



more than would greenbacks or silver certificates. The 2 per cent tax would tend to cause their retirement, or the retirement of an equal amount of legal tender money, whenever local rates of discount became so low that the issuing banks made no profit out of their emergency circulation. It is to be feared, however, that the tax of 2 per cent would prove too small to be effective in many parts of the country. Certainly in the West and South banks would not be restrained from putting forth these emergency notes by so low a tax. Even the New York banks have for years been willing to pay that rate on bank balances, an indication that they are able to find profitable use for the money. It is likely, therefore, if Mr. Gage's plan were adopted in its present shape, that a large number of banks would put forth their emergency circulation in normal times and be unable to respond to the increased demands of their customers when times of real emergency arose. The tax should be so large that very few banks would be able to pay it except in times of extraordinary demand for money. The Bank of Germany pays a tax of 5 per cent on its emergency circulation. In my opinion, that is about the rate which banks should be compelled to pay in this country if they are permitted to issue guaranteed notes in excess of the security which they deposit. Such circulation would then expand in times of real distress, and thereafter almost instantly disappear.

Secretary Gage's plan, with the two amendments that I have suggested, might be adopted without any risk which I can foresee. It is far from ideal, but it is a step in the right direction. The new features which it grafts upon our present system would be readily understood by bankers and business men. That is a great point in its favor. Experience under the plan would gradually impress upon the public the importance of elasticity in the currency, a matter in which they have had no experience or instruction for nearly forty years. In time it would doubtless be possible

still further to amend the system and to mould the currency gradually into something like ideal shape. Although Secretary Gage's plan does not provide a place for new gold in the currency, yet it is not, like the Monetary Commission's plan, open to the objection that it might prevent the broadening of the gold base in the future. The amount of bank notes that may be issued under his plan has comparatively definite limits, and the permanent place that they would fill in the circulation is not liable to great expansion as the country grows. There would be no doubt about this whatever if the issue of secured circulation were limited to a fixed amount; then the development of the United States would certainly be accompanied by a rising proportion of gold in its money supply.

President McKinley's recommendations as to the currency are aimed especially at the difficulty and cost to the government of maintaining the gold standard. In his message he urged that greenbacks once redeemed should not be paid out again except in exchange for gold. This simple measure would tend to improve the situation to some extent. The gradual retirement of greenbacks as suggested by the President would tend to make them essentially gold certificates, and is quite possible without any contraction of the currency, for their place in the circulation would be immediately filled by gold fresh from the mines of this country, gold which would be otherwise sent to Europe. The President's recommendation is excellent, not because it proposes to retire the greenback, but because it proposes to reduce the volume of credit-money and increase that of gold. The greenback has suffered undeserved odium, for it is commonly assumed to have been the cause of the treasury's embarrassment in recent years; whereas the real cause lies in the rigidity of our monetary system, in the large proportion of credit-money, and in the inability of the treasury to influence the movements of gold. The greenback has been merely a convenient instrument for effecting changes in the money supply

which these conditions have rendered necessary. Of course, the retirement of the greenback, or of any form of credit-money, should be gradual and at the discretion of the Secretary of the Treasury. The foreign exchange market furnishes a trustworthy barometer. The rise of exchange to the export point, particularly if accompanied by low rates on discounts and call loans, is an indication of excess in the currency, which will be corrected by the exportation of gold if not corrected in some other way. At such a time, if the revenues are yielding a surplus, the Secretary of the Treasury might retire easily and safely a certain amount of demand obligations by a judicious reduction of government deposits in national banks. Instead of losing gold the country would lose credit-money; there is no doubt as to which can best be spared.

In view of the antagonistic attitude of the friends of silver toward currency reform, it is worth while to note the fact that two entirely different "money questions" are before the people of the United States. One concerns the standard of value, the other the defective character of the present monetary system. Logically there is no reason why these two questions should be confused. The vital issue between monometallism and bimetallism is one of prices; the bimetallist holds that prices will fluctuate less under a double than under a single standard, or, at least, that if they do change they will tend to rise rather than to fall. This issue is one that cannot be settled merely by improvements of the present monetary system; nor, on the other hand, can the defects of the system be remedied merely by a change of standards. There are two distinct "questions" here, and each should be settled on its merits. For twenty years the Congress of the United States has been tampering with the monetary system under the mistaken idea that by enlarging the use of silver it could effect a satisfactory compromise between monometallists and bimetallists. The result has been satisfactory to nobody,

excepting perhaps the gold-using nations of Europe, whose currencies we have enriched with gold at the expense of our own. It is time for bimetallists to recognize the fact that the policy of the United States since 1878 has not only given it an unsafe and top-heavy monetary system, but has also helped make easy and inviting the path of the gold monometallists in other parts of the world. Instead of strengthening the prospects of bimetallism, our stumbling, empirical imitation of it has convinced many plain, practical men of affairs that it is something irrational and visionary, approved only by English university professors and debt-dodging Americans. On all accounts, therefore, it is well to stop confusing the two "money questions." The defects of our monetary system are independent of any defect in the standard; they would exist even if gold as a measure of values were universally admitted to be ideal. On the other hand, improvements of the system cannot affect the general tendency of prices, and therefore cannot cut away the ground upon which the bimetallist stands. The country is trying to do business upon the gold basis; all outstanding credits, both of the government and of the individual, have been accepted as promises to pay gold; there should be no doubt about the meaning or the fulfillment of those promises. To remove all occasion for doubt is the real purpose of "currency reform," and there is no reason why a fair-minded bimetallist should not work for it as ardently as a gold monometallist. He would be a dangerous ship's captain who refused to take in sail merely because he preferred steam to sail vessels and hoped that some accident might win his employer over to his view.

JOSEPH FRENCH JOHNSON.

*University of Pennsylvania.*

## BRIEFER COMMUNICATIONS

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### THE COMMITTEE OF FIFTY AND THE INVESTIGATION OF THE LIQUOR PROBLEM.

Some months ago the undersigned was asked to write for the *ANNALS* a short review of, or an unsigned note on, "The Liquor Problem in its Legislative Aspects," by Frederic H. Wines and John Koren. The member of the editorial committee who made this suggestion was aware that I had expressed the opinion that the gentlemen who prepared this report had not been able to escape as completely as they themselves apparently believed, from the common human frailty of personal bias; and that on this account some deduction should be made from their comparatively favorable presentation of certain legislative schemes and the very damaging presentation of others. The editor did not desire, however, as I afterwards learned, that the review, if unsigned, should contain an expression of opinion, and when the proof was sent for my revision my name was appended. Not understanding the reason for this, and recalling the fact that I had been given the option of writing an unsigned note, I struck out the signature, and stated my personal reasons for not wishing to write a signed review of the book in question. There the matter would naturally have ended by the omission of the note and the preparation of a new review by some one else, except for the accident that the editor in charge of the department was away on his summer's vacation when the proof was returned, and the note was in his absence inserted as amended by the writer. Thus the note was published, contrary to the policy of the *ANNALS*, containing an expression of the reviewer's opinion, but with no signature.

Without any personal obligation to relate these facts, and in full knowledge that editorial confidences are properly guarded in the office of the *ANNALS*, I wish, nevertheless, to offer this explanation, and with the permission of the editors to assume the full responsibility for the review. Having done this, I wish to add a few words which seem necessary because of the evidence which has been brought to my notice that the previous note is liable to misinterpretation.



The reviewer did not intend to impugn the good faith either of the committee or of the authors of the report. There appeared to be a certain inconsistency between the generalization of the committee that "it cannot be positively affirmed that any one kind of liquor legislation has been more successful than another in promoting real temperance," and the actual reports presented, which, taken at their face value, do indeed tend to convict all legislative systems of failure, but in very different degrees.

The hope that was expressed in regard to the forthcoming volume on the relations of intemperance to pauperism, now appears to me to have been somewhat out of place in an unsigned note where it could easily be misunderstood. It was, in fact, a perfectly sincere expression of my attitude toward an investigation in which I have the greatest possible interest and which I have personally assisted in some slight degree. From its extent, from the high standing of its sponsors, from the wide co-operation secured, and from the fact that it is in more competent hands than any previous investigation of this kind, if it may not be said to be the first of its kind, the inquiry will certainly produce a volume which will rank high as an authority and which should be of practical value in the treatment of pauperism.

It is possible that a list of the sentences and expressions which appear to me to justify the strictures contained in the note would fail to convince the authors, or even an impartial jury, that the investigators were biased, leading them unconsciously to accept evidence more readily if it tended to confirm previously formed conclusions. It is obvious that it is not the province of the Academy to act as arbiter of any such dispute. Now that those who were inclined to take exception to the note understand that the opinion proceeds from a humble member of the Academy, anxious only, like themselves, to advance our knowledge of the important problem on which they are at work, they will probably hardly think it worth while to enter upon any controversy on these points.

The purpose of this communication is to disavow any imputation of intentional bad faith, to express regret for any expressions which could be construed into personal reflections upon either authors or committee, and to add a tribute of appreciation to the well-deserved praise which their work has received. I do not know that this can be done more effectively than by repeating the words of the former note, that the volume "will probably stand as the beginning of our scientific work in this field."

EDWARD T. DEVINE.

*New York City.*

## A MISGUIDED PHILOSOPHER IN THE FIELD OF ECONOMICS.

Habits of criticism tend to encourage superficial and barren analyses. As the power of the race to objectify its ideas increases, subjects are grasped after that have an appearance of newness and originality without much reference to whether or not their investigation will lead to useful conclusions. The high grade of excellence to which clear writing has attained, thanks to university influences, fosters this playing with ideas, with the result that much recent work has about it an appearance of insincerity. A custom is becoming common among economic writers of asking questions without answering them. Theorists seem to take a *dilettante* satisfaction in multiplying subjects for investigation, without investigating them.

This readiness to begin work, which either cannot be completed or is never intended to be completed, is so characteristic of recent writing, that it seems worth while to select a typical case and to examine it as a sample. Dr. Gottl's "*Der Wertgedanke*"\* will furnish the model. The title of this book sufficiently indicates the author's intention to open the way for higher self-consciousness, and hence for more accurate results in connection with the theory of value. In the introduction he presents himself in the character of a student reduced to despair by the confusion in the existing state of that theory, who has been compelled to cast aside the whole body of statements made upon the subject and to clear the ground for real scientific investigation.

His fundamental idea is that it is necessary in the first place to establish the validity of the assumption of unity implied in the expression "value." Curiously enough, his own argument contains a still more questionable assumption, namely, that of the necessity above mentioned. A large part of it is confined to an elaborate demonstration that theorists really do assume the *unity* of value. The possible utility of establishing this conclusion is but briefly indicated. It is to be noted that he does not propose to investigate primarily the truth or falsity of the assumption, but simply the existence of the assumption. This is to lay the ground for the investigation of its truth or falsity. The importance of the former investigation, however, obviously depends upon the importance of the latter. The truth is that the investigation of the question of unity is important simply as an exercise in self-consciousness. It cannot change in any particular our theory of value, since it cannot change the laws of thought by and through which the theory of

\* *Der Wertgedanke, ein verhülltes Dogma der Nationalökonomie, Kritische Studien zur Selbstbesinnung des Forschens im Bereiche der sogenannten Wertlehre*, Von Dr. FRIEDRICH GOTTL. Pp. 76. Jena: Gustav Fischer, 1897.

value is being continually reconstructed. Its only possible effect, therefore, is to stimulate self-consciousness to action along lines already fixed by the laws of reason.

Our criticism of Dr. Gottl's work comes to this, that in the premises which he assumes, an incorrect conception of the functioning of unity in analytical thought is made, which naturally affects unfavorably all of his conclusions. Let us summon patience to notice, as briefly as possible, how he goes to work.

The machinery of formal logic is arrayed to prove what anyone would be quite willing to admit, the fact of the usual assumption of the unity of value. Why this supererogatory effort? Evidently because Dr. Gottl believes that possibly the method of thought which assumes unity may be proved wrong, and thus the science of value revolutionized. That it should occur to anyone that men can think at all without an assumption of a single subject-matter, is really a mental curiosity; and that a grave dissertation on such a question should wander into current scientific literature, seems to indicate that all that is necessary in order to admission into the portals of science is the ability to draw a distinction between "subjective" and "objective."

In order to prove the self-evident proposition that all economists assume the unity of value, four formal premises are laid down, with which we shall not trouble the reader; and these are afterward (with much show of demonstrating that what is assumed must be taken to be natural and hence not a subject of demonstration) concentrated into a single proposition: "Value is presented to Science as a Singular-Object."

The proof of the common assumption of this proposition contains in itself all the assumptions that the law allows. The author's own continual assumption is that everybody, except himself, believes that the determinant of a field of thought is necessarily single. Now a determinant is a variable, and there is no inherent probability that the field of value is determined by any one variable called "Value;" the probabilities are rather that it is determined now by one variable and now by another, or rather that it is the resultant of many. It may be that this truth is not always present in the mind of the investigator of value, but it is reasonable to believe that *plurality* of determinants is no less an *unbesehen Hingegenommenes* than the singular formula which he has hit upon.

Undoubtedly such an assumption as he attributes to all is very common, and Dr. Gottl does well to draw our attention to it. There is no doubt but that a complete self-examination upon this subject is desirable, and the real question is as to the claim

that such a self-examination would change the theory of value. It is this claim that throws a doubt upon his whole work, for it seems to have been undertaken with the idea that such an investigation would make a *tabula rasa* of all previous investigation in the domain of value.

He proceeds to an inductive proof. The task is naturally not difficult. A number of citations are made to show that economists either directly or impliedly consider value to be a Singular-Object recognized as such by all. Of course it was very easy to make a most extensive list of such expressions, since without them it would be impossible to proceed by analytic reasoning either in economics or in any other science. Here is one of the extracts which he gives as proof of the slavish subservience of economists to the unconscious singular idea: "In the domain of the scientific investigation of value, a clearing-up of views has taken place in recent times, which must be looked upon as the precursor of the unveiling of the hitherto unsolved riddle of value." (Komorzynski.) To condemn economists of unconsciousness and of lack of method upon such evidence is to deny the possibility of scientific analysis.

The connection between different so-called theories of value, he continues, is verbal or formal; *essentially* they are all mutually inimical. This last fact is the chief inductive evidence of the unconscious Singular-Object idea. There is really a war of each against all for survival. Theorists wrongly assume that all expressions that contain the word "value" have the most intimate relation with each other.

It is near the close of his paper that Dr. Gottl commits himself most thoroughly upon the importance of determining whether "value" is really singular or plural. As soon as this inquiry is thoroughly appreciated, he says, it will give rise to several questions which will demand imperative answer. One is, Whether such a Singular-Object is really offered to scientific investigation? another, What is value? and still another, Is value? The first question must be answered first, and it is possible that the answer may be either positive or negative or indeterminate. In each case it will be extremely useful to obtain some answer. If value is a Singular-Object, then we know that we have been following the right path; if it is not, then we have not disproved the existence of value, we have only shown that it is not a Singular-Object; and if it is impossible to answer the first question, we are still at liberty to *postulate* its truth. The answer to this question is separate from the answers to the other questions, and may be treated as an independent subject of investigation.

After all this mediæval logic, the main question, whether there is *really* such a Singular-Object as value comes in for scanty notice. He argues that there must be some such idea in order to connect the array of discrepant theories. The discrepancy of the theories, however, is evidence of the non-objectiveness of the Singular-Value-Idea. Here again an inductive study is indicated. A number of definitions of value are collected, from which the inference is drawn that in the "world of statements" about value, the subject-matter treated varies greatly. It would perhaps have been more generous to have shown that these statements are complementary; but this inference would not suit his purposes. He thinks science demands an absolute and clean-cut solution of the unity of the Value-Idea, before the study of value itself can proceed. If the Value-Idea be untrue, then all previous investigation into value is deprived of meaning. The inferences above drawn from the "statement-world" do not, however, completely disprove the existence of the Value-Idea, for it may possibly be established independently.

The conclusion is that the Value-Idea cannot be inductively established from the "statement-world," but must be independently studied in some other way.

Because a man is a strict logician, and has the gift of clear statement, it does not follow that he is right. It becomes only the easier to distinguish truth from error in his work. The main truths in Dr. Gottl's work are, first, that in general people do assume that value is single, and, secondly, that there is a decided need in economics of a more complete self-examination.

The part played by self-consciousness in science is great. Self-consciousness is another name for stage of education; it is a measure of civilization; it seems to be closely connected with the subject of method. A study of method is a study of the mode of attaining to self-consciousness or of self-consciousness in operation. Dr. Gottl, however, has hardly chosen the correct method of developing self-consciousness.

It seems plausible enough to assume that every unproved assumption must be ferreted out and subjected to the test of reason; but is it proper, logical, or in harmony with the laws of thought-development, to single out as the subject for *separate* proof that one title which is admitted to be the very object and goal of the science? Yet this is what Dr. Gottl has done in a roundabout way. Not value, but the unity of the concept of value, is to be subjected to the test. A special investigation of this sort is indeed worth making as a study in method. It must prove advantageous, not only to economics, but to all sciences. It can hardly be regarded



as an economic investigation; it cannot occupy the place in economics that the psychology of value occupies, for instance; for there are peculiarities in psychology that are characteristically economic. This investigation into the assumption of unity in the subject-matter of economics can have no meaning, except in so far as the same inquiry is interesting with regard to all sciences. Regarded as an investigation *in economics* it can have no meaning, since if value is not one thing, but many, then we must admit that that is removed, which makes economics a science. Hence this is simply a sidewise attempt to abolish value, and economics with it. Every science, however, must have some central conception which is treated as indivisible.

In order properly to appreciate Dr. Gottl's discovery of the "Value-Idea," it is obviously necessary that we ourselves form some theory of the method of science. What difference does it make to us whether there be a Value-Idea, and again whether we are conscious of that idea? Thought is a natural process, and logical thought is the most natural of all. The trained thinker differs from the untrained thinker simply in the rigorousness with which he uses the methods of the latter. His mental operations are more conscious, and hence more thorough, but nevertheless the same. The logic of the lecture-room is precisely the logic of the street-corner. The difference is one of degree of comprehensiveness and of thoroughness. In the lecture-room, time is taken to avoid the inconsistencies that burden every sentence upon the street-corner; but the process is the same. A knowledge of this process therefore acts purely as a stimulant to greater comprehensiveness and accuracy. Dr. Gottl is therefore wrong in supposing that such knowledge can overturn ancient systems, although it may *hasten* the overturn of systems already foredoomed.

There runs, however, through the whole of his paper, an anticipation of the conclusions of investigation into scientific method, which seems to be incorrect. He sets to himself formally the task of awakening self-consciousness, and adopts as his method of attaining his end simply a proof that theorists use the Singular-Value-Idea unconsciously. The error that runs through his work is the expressed assumption that the Singular-Value-Idea must be objectively either true or untrue.\* He goes so far, therefore, to prejudice an inquiry in which he is ostensibly trying only to

\* "Es bedarf klipp und klar des Beweises für oder gegen die Wahrheit des Wertgedankens, oder auch des einwandfreien Nachweises, dass ein solcher Beweis ausser Möglichkeit liegt. Der letztere Nachweis schliesst sich hier ganz unmittelbar aus." p. 59; see also p. 49.

open the way, and it seems that he prejudices it in the wrong direction.

What, then, is the right direction? As thinkers in an age dominated by the doctrine of evolution, we are best enabled to criticise his idea of scientific method by inquiring whether it corresponds to that evolutionary idea to which all of us owe so much. Must the Singular-Value-Idea be either true or false in the nature of things? Strict logic deals only with an opposition of positive and negative, of past and of future; it is incompetent as such to furnish clear conceptions concerning the present, which is the point of union of past and future, which is therefore neither positive nor negative, but which is a *Becoming*. Our method of thought about the present and hence about value, therefore, is something more than logical; it cannot turn about a fixed and invariable field, nor employ a fixed and invariable criterion of that field, although it is probably true, as Dr. Gottl maintains, that most people, including Dr. Gottl himself, think that it does. The only thing that troubles him is, which is the field? Is it one in which there is an absolute and permanent unity, called "Value," or one in which there is no such unity?

If, however, our mental process is a *Becoming*, then the field of investigation is a *Becoming* also; it is subject to constant expansion due to broader and broader generalizations, and in turn to contraction due to subdivision. A field of investigation, being in constant flux and change, can only be regarded as single for the purpose of *logical* conclusions. Logic contains, therefore, always this weakness, that the premises must be taken as static, although the objects reasoned about are in a state of flux and change. The doctrine of evolution steps in to help us to a higher self-consciousness in this matter. It teaches us to make allowance for our static premises. It leads us to the inevitable conclusion that a field of thought cannot be continuously singular, no matter what the requirements of formal premises may be.

The progress of a science must be looked upon, from the evolutionary point of view, as a contest of theories for survival, and also as a contest of fields for survival. The process is not one of adapting a theory to a field any more than it is one of adapting a field to a theory. While a field must be *treated* as an objective fact, that objectivity is largely derived from the thinker himself. Thus the field of geology, as distinguished from that of mineralogy, must depend largely upon the state of mind of theorists interested in those branches. Evolutionary progress takes place through a continual disturbance and readjustment of the equilibria of mutually interdependent utilities. The utility of extent and content of a

science, therefore, is just as much dependent upon the theories of the science, as the utility of the latter is dependent upon the former.

The complaint, therefore, that the unity of value is a pure assumption is entirely unfounded, as a complaint. The unity exists as a working hypothesis; it does not *persist* in time as an objective fact. The subjective existence and the objective non-persistence are concomitants necessary to scientific processes, and hence far from suitable matters for reproach.

Moreover, in this question of process there is nothing peculiar in economics, as Dr. Gottl supposes. It is common practice in all sciences to presuppose, *argumenti gratia*, a subject-matter, and then to form theories about it. The subject-matter and the theories mutually affect each other; and thus, through selection and survival, the science progresses. Moreover, it is fair to state that there must be for every science some central theory, some supreme generalization which gives unity to the science, looked upon as a process. No one could possibly claim that this unity possesses permanent objective reality; but Dr. Gottl is the first man who has suggested the feasibility of dispensing with this unity as a process. Geology must entertain some supreme theory as to the movements of the earth's crust. The field of the science and the theory of the day depend upon each other. Geologists must necessarily enter into contests as to which is the correct theory. There thus arise as many geologies as theories of geological action.

Similarly, economists put forward innumerable theories of value, each one of which, if adopted, must sensibly affect the area of economic science. For example, the psychologic studies of the Austrian school have reached results applicable within a wider area, or rather within a partially different area, than that corresponding to the theories of the orthodox school. There arises now an interesting question as to whether the science shall accept this extension of area or shall hand over the new results for the benefit of former or other proprietors.

To be in the highest degree conscious of these processes is of extreme value to the man of science. In this we heartily agree with Dr. Gottl. But a decided objection must be entered to the manner in which he approaches the subject. His "consciousness" cannot be a consciousness of reality, because, according to him, value must be either non-existent or singular or plural. The truth is that value is *Becoming*.

It is a convenience to the mind to assume roughly a field of value and a theory of value. The theory of one moment is not the theory of another. Different theorists contend with each other.

There is, in any group of theorists, some general tendency to which a field and a theory belong. In other words, there is a moving body of science which forms the social mind common to the theorists, by which all are influenced, and which each in turn seeks to influence.

The *Kampf aller gegen alle* is just as much a proof of unity as of disunity, and neither unity nor disunity is a disproof of self-consciousness. Organic thought repels the alternative question.

W. G. LANGWORTHY TAYLOR.

*University of Nebraska.*

## BOOK DEPARTMENT.

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### NOTES.

IN RESPONSE TO inquiries which have been received in regard to the character of the matter published under the head of "Notes," the editor of the book department wishes to announce to readers of the ANNALS that it is his settled policy to publish only descriptive notices of books under this caption. In the few cases in which a publication is noticed briefly, and at the same time criticised in this department, the name of the contributor will be supplied in a foot-note,\* and in this way it is hoped all possibility of misunderstanding will be avoided in the future.

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MR. MARK ASH of the New York Bar, who, in 1891, published an excellent edition of the New York City Consolidation Act, has just issued an annotated edition of the Greater New York Charter.† This volume, of 1251 pages, contains all the material necessary for a history of the government of the Greater New York. By inserting the various enactments, commission reports and constitutional provisions, as well as a compilation of the early charters, Mr. Ash has given us a work indispensable to the student of municipal government, as well as to the lawyer. The chapters of the charter itself, and of the acts relating to Greater New York unrepealed by the charter, have been carefully annotated by the author, all the important decisions being cited. The student of municipal government gains the impression from reading the chapters that the new charter represents a type of law-making which has become general throughout the United States. Instead of carefully codifying every chapter of the new charter, the Greater New York commission took up only the more important questions and adopted the policy of re-enacting a great mass of laws relating to the different municipal departments. The great care which the author has exercised in his analysis of provisions at present in force

\*In the past critical notices have sometimes appeared unaccompanied by the name of their author. For example, the notice of Mulhall's "Industries and Wealth of Nations" (Vol. ix, p. 429) was unaccompanied by any signature. It was written by Professor Falkner. The notice of Wines' and Koren's "The Liquor Problem in its Legislative Aspects" (Vol. x, pp. 118-19) is another exception. It was written by Dr. Devine, who frankly assumes full responsibility for the opinions therein expressed in his communication in the current number.

† *The Greater New York Charter as Enacted in 1897*, with Notes by MARK ASH, of the New York Bar. Albany: Weed-Parsons Printing Company, 1897.



serves to bring out more clearly the uncertainty of the law upon many points. This edition of the charter will do much to clear up many of the intricate and disputed questions of existing law. It facilitates the determination of the question whether particular enactments are still in force or have been repealed by implication. For this reason, if for no other, Mr. Ash has done a real service to the students of municipal government, especially to those who are interested in the question of city charters.

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UNDER THE TITLE of "The Struggle between President Johnson and Congress over Reconstruction,"\* Mr. Chadsey has published an interesting account of this important chapter in the history of the unwritten constitution of the United States. As a matter of course, he begins his study with a consideration of the different theories propounded in connection with the readmission of the rebellious Southern states to their old position in the Union. The Democratic theory was naturally based upon the doctrine of state sovereignty. "The Union as it was must be restored and maintained, one and indivisible." The rebellious states still possessed the same rights as the loyal states, except as regards the holding of slaves. The personal theory of President Lincoln, as first stated, held that the states should resume their old relations, with their local affairs untouched by federal authority. The Congressional theory developed with the attitude of the executive, from a fear of his encroachments upon legislative powers. In its final form it took the ground that the seceding states had forfeited their rights under the Constitution, and that Congress had unrestricted power over them, as simple territories of the federal government. The accession of President Johnson brought the executive to a position of growing moderation towards the South. His provisional governments were steps toward the restoration of the states to the privileges guaranteed them by the Constitution before seceding.

In the remaining chapters the author describes the struggle between the President and Congress, which finally resulted in the extraordinary procedure of a trial of impeachment. The struggle thus came ultimately to mean one between the executive and legislative branches of the government as to the rôle each should play in the act of restoring the states to a new Constitutional status. The assertive attitude of the executive, resulting from the extraordinary war powers of the previous years, received a deserved check through

\* *The Struggle between President Johnson and Congress over Reconstruction.* By CHARLES ERNEST CHADSEY, Ph. D. Columbia University Studies, Vol. viii, No. 1. Price \$1.00. New York: The Macmillan Company, 1897.

the aggressive position of Congress which restored finally the Constitutional equality between the legislative and executive branches of the federal government. Mr. Chadsey's monograph presents in a clear manner the essentials of this unique constitutional struggle.

THE TRANSLATION INTO English of Cournot's "*Recherches sur les Principes mathématiques de la théorie des richesses*,"\* brings that work within the reach of many readers whose ignorance of French, or inability to gain access to the rare French edition of 1838, have heretofore prevented them from studying the original. It is a brief work, which applies the mathematical method to the discussion of rates of foreign exchange, of prices under conditions varying from complete monopoly to free competition, and of social income. Of the twelve chapters, the last two on "Social Income" are universally acknowledged to be of little value. The other ten are less difficult reading for the economist, more interested in his own science than in mathematics, than was to be expected from Jevons' statement that *his* mathematical power was insufficient to enable him to follow Cournot in all parts of his analysis. Perhaps his difficulty was due to the thirty-five inaccuracies which the painstaking translator has discovered in the original work.

As the first important treatise in mathematical economics Cournot's book has great historical interest. Whether the line of investigation which he started will really prove fruitful of valuable results in assisting students to understand more clearly the complex social phenomena which it is their task to explain, can only be decided by those who take the trouble to master the mathematical apparatus necessary to the understanding of this department of economic literature. Professor Fisher's little "Introduction to the Calculus," noticed in our last number, is an aid in this direction. An article by the same author in the January number of the *Quarterly Journal of Economics*, reviewing Cournot's work, makes the comprehension of this important book more easy for the unmathematical student.

MR. HERBERT J. DAVENPORT, whose "Outlines of Economic Theory" was reviewed in the *ANNALS* for March† of last year, has just brought out an "Outlines of Elementary Economics,"‡

\**Researches into the Mathematical Principles of the Theory of Wealth.* By AUGUSTIN COURNOT. Translated by Nathaniel T. Bacon, with a bibliography of mathematical economics by Irving Fisher. Pp. ix, 209. Price, 75 cents. New York: The Macmillan Company, 1897.

† Vol. ix, p. 259.

‡ Pp. xiv, 280. Price, 80 cents. New York: The Macmillan Company, 1897.

which is something more than a mere abridgment of his earlier work. The distinction between economics as a science and economics as an art is no longer emphasized and in place of the division into sections, which was somewhat confusing, we now have the conventional arrangement in chapters. Moreover, the matter presented has been carefully rewritten, and although the range of problems treated is substantially the same, the treatment is now, in a real sense, elementary. The plan of introducing each new topic with a number of suggestive questions is given even wider application than in the earlier volume, while the questions themselves are more clearly expressed.

The greatest merit of this, as of the earlier work, is that it expresses very clearly the mature judgment of one who has given much thought to economic problems and is thoroughly conversant with the literature of his subject. Conceiving of political economy as the science of business, the author is careful to point out, at every step, the close connection between economic theory and the practical problems that engage the attention of the business community. At the same time he emphasizes the *social* point of view in the treatment of all these problems and brings out the idea, which cannot be too early implanted in the minds of students, that industrial development, like all other development in which organic forces are involved, is of necessity gradual. This is made especially clear in his treatment of "socialism," "the single tax," and other proposals looking to radical changes. His discussion of the money and tariff questions is as full as the interest of American students in these matters calls for and conspicuously fair, without being colorless. On the whole, this work should give an impetus to the introduction of economics into the curricula of secondary schools. It meets, to a large extent, the objection of those who base their opposition to this change on the alleged lack of any suitable textbook on the subject.

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IN A SMALL volume entitled "*L'évolution des croyances et des doctrines politiques*,"\* Professor Guillaume De Greef has reprinted two of his opening addresses, given in 1889 and 1890 at the *École des sciences sociales* at Brussels, and in addition a concrete study based on some of the principles put forth in the second address. This additional material comprises over 200 pages and furnishes the title for the volume. The addresses, which were published at the time they were delivered, have attracted considerable attention and have been

\* *L'évolution des croyances et des doctrines politiques*. Par GUILLAUME DE GREEF. Pp. 330. Brussels: Mayolez & Audiarte; Paris: Felix Alcan, 1895.

long since out of print. Many persons will therefore be glad to know that they are to be had now in this volume. In the final and longer essay Professor De Greef ranges over a large mass of material relating to pre-historic times and to the early history of the Egyptians and Ethiopians and to Ancient Mexico and Peru in his endeavor to find analogies and striking illustrations of a common development in beliefs, traditions and political doctrines.

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MR. HENRY S. HAINES, who for many years was President of the American Railway Association, and who has held responsible administrative positions in the railroad service, has published a book, entitled "American Railway Management," which contains his addresses delivered before the American Railway Association, and several other miscellaneous addresses and papers.\* Though the book is in no sense a systematic treatise, it contains much information of value to the student of transportation. Besides discussing such technical questions as train rules, block systems, car-couplers and other safety appliances, the author considers such subjects as labor organizations, operating expenses, cost of transportation, railroad organization, freight classification, pooling, railway accidents, the training of railroad men and like topics. These questions and the others taken up in the book are not handled in a fundamental or scientific manner, and the book will commend itself to the student mainly because it reflects the views of one of the best informed practical railway officials in the United States. An outline of the history of the American Railway Association may be obtained from the twelve semi-annual addresses of its former president.

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DR. GEORGE HARRIS, of the Andover Theological Seminary, has published a little volume of essays under the title, "Inequality and Progress," † in which he discusses various phases of social inequality which he considers conditions to progress. A large part of the volume is critical and calls in question the assumption that some kind of equality is the *summum bonum* to be sought by social reformers. The author attempts, through an analysis of certain fundamental facts of human nature and human development, to determine what may and what may not be taken for granted in the discussion of various theories concerning social growth. He insists upon the cultivation not only of the historic sense, but also of the

\* *American Railway Management*. By HENRY S. HAINES. Pp. 368. Price, \$2.50. New York: John Wiley & Sons, 1897.

† Pp. 164. Price, \$1.25. Boston: Houghton, Mifflin & Co., 1897.

ethnologic and anthropologic senses on the part of the leaders and reformers of society. Believing that inequalities are inevitable the author expresses the hope that they may be more fully utilized and to some extent harmonized as social development proceeds and becomes more complex. A few of the titles of Dr. Harris' chapters indicate clearly the scope of his attractive little book: "Existing and Accepted Equality;" "Types of Social Selection;" "Economic Equality a Chimera;" "Equality of Opportunity in Education and Pursuits;" "Progress Produces Variety;" "Variety Produces Progress;" "The Progress of Ideals;" "The Uniqueness and Unity."

IN A MONOGRAPH of 121 pages Dr. Wilhelm Kähler, of the University of Halle, opens a series of studies on "Public Debts,"\* of which he is to be the editor. In this monograph he examines the development of local indebtedness in Prussia. We are incidentally given an insight into the development of local activities, especially in the rural districts, for Dr. Kähler's researches cover the provinces, circles (*Kreise*) and villages. The author points out that during the early decades of the century the indebtedness of local divisions was confined exclusively to the larger towns. With the reorganization of the local rural divisions between 1870 and 1876 there came an increase in functions. This led to an increase in indebtedness. During the period between 1832 and 1895 the public debt of all local divisions in Prussia increased some \$5,000,000, distributed as follows: Provinces, one-sixth of total; Circles, one-tenth; Villages, one-fifteenth; Cities, two-thirds.

In discussing the present condition of local indebtedness, Dr. Kähler points out the desirability of effecting a centralization of local credit through the establishment of a government or quasi-government bank, the function of which shall be to act as intermediary between the cities and the general public. Furthermore, available government funds not applied to other purposes, are to be placed at the disposal of municipalities. In this way it is hoped to facilitate the negotiation of small loans by the authorities of local divisions. At the present time they are dependent for such facilities upon private banking institutions. Of course the new institution would be of particular value to the small towns, as the large cities have at the present time every facility for borrowing money at the lowest possible rate.

\* *Die Preussischen Kommunalanleihen mit besonderer Rücksicht auf eine Centralisation des Kommunalkredits.* Von Dr. WILHELM KÄHLER. Beiträge zur Lehre von den öffentlichen Schulden. I Band. I Heft. Pp. 121. Price, 4 marks. Jena: Gustav Fischer, 1897.



ABOUT FOUR YEARS ago we noted in these columns the second edition of Bernheim's "*Lehrbuch der historischen Methode*."\* In spite of many pretentious rivals, this has retained its position as the best book on the subject. MM. Langlois and Seignobos have prepared a manual† which is more popular and better adapted for beginners. It discusses very concisely the preparation necessary for historical study (Book I), methods of criticism (Book II), and historical composition (Book III). In two appendices the authors give an interesting account of the instruction in history in France the secondary schools and universities, respectively.

This manual will not supersede Bernheim's work, which it does not attempt to rival. It does not contain the same wealth of bibliographical references, and does not go as deeply into the discussion of many subjects. Yet in one portion it is clearly superior to the latter, *i. e.*, in the criticism of an author's sincerity and exactitude. In general, it will commend itself for its good sense, clearness and moderation. Although intended primarily for the uninitiated, even specialists may profit by a careful perusal of some of the chapters. All students who are not dominated by the modern German methods will welcome the statement that external criticism is a means, and not an end, in itself. To judge from many of the recent works some scholars, philologists as well as historians, are too much in danger of forgetting this axiom.

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MESSRS. G. P. PUTNAM'S SONS announce an interesting list of publications in history and economics for the coming spring. Professor Andrews is to bring out the second and concluding volume of his "Historical Development of Modern Europe." Professor Tyler has in preparation a volume on the "Literary History of the American Republic During the First Half Century of Their Independence." The same writer is to publish, in the near future, a series entitled "A Century of American Statesmen," in four or more volumes. This will contain biographical sketches of all our leading public men since March 4, 1801. Two new volumes are also announced for the Story of the Nations' Series, one detailing the "Story of Modern France," while the other describes the "Building of the British Empire, 1558-1895." Under the head of economics, Mr. John Davidson is to bring out a volume on "The Bargain Theory of Wages," while Mr. Alexander Dana Noyes has in preparation a short financial

\* See ANNALS, Vol. v, p. 140. July, 1894.

† *Introduction aux Études historiques*. By CH. V. LANGLOIS et CH. SEIGNOBOS. Pp. xviii, 308. Price, 13.50 francs. Paris: Hachette et Cie., 1898.

history of the United States under the title, "Thirty Years of American Finance, 1865-1896."

THE FOUR REPORTS prepared by the present Commissioner of Navigation, Mr. Eugene Tyler Chamberlain, have all been valuable documents. The Bureau of Navigation, under the supervision of Mr. Chamberlain, has been of much assistance to the committee of Congress on commerce, and has aided in securing the repeal of several antiquated laws relating to shipping. Much work of this kind yet remains to be done, however, and the last report of the commissioner contains a good summary of the nature of the reforms needed and of the methods which, in the opinion of the commissioner, ought to be followed in making the changes that are essential to the best development of our merchant marine.\* The prominent features of the report for 1897 are the discussion of the statistics of our shipping and ship-building industries, the advocacy of the extension of the Act of May 10, 1892, by which the foreign-built ships, the *Paris* and the *New York*, were admitted to American registry, and the argument in favor of the repeal of the sections of the law of June 19, 1886, providing for reciprocal tonnage tax exemptions. About half the report is taken up with a discussion of legislation affecting seamen, and attention is called to several needed improvements in our existing laws. The concentration of the several marine bureaus, under the supervision of one Assistant Secretary of State, a change strongly urged in former reports of the Commissioner of Navigation, has been effected by Secretary Gage's order of April 6, 1897. As usual, the appendices of the report contain much valuable information regarding the condition of our marine, and that of foreign countries, and, besides, the thirty-two statistical tables in which the data regarding American shipping are presented.

ONE OF THE most important investigations conducted by the Labour Department of the English Board of Trade is that into changes in wages and the hours of labor in the United Kingdom. The fourth annual report,† dealing with this question for the year 1896, which has just been issued, is full of suggestive information for the student of the labor problem. At the outset the report touches on some of the difficulties of the investigation. It has been possible to obtain only the facts in regard to the wages actually paid at different

\* *Report of the Commissioner of Navigation to the Secretary of the Treasury* Pp. 350. Washington, Government Printing Office, 1897.

† Pp. lxxxi, 273. Price, 1s. 6d. London: Ryre & Spottiswood, 1897.

periods for different grades of work. No allowance is made for unemployment or for changes in the grade of work performed by the mass of laboring people, and in consequence no certain conclusion as to the actual condition of the working classes can be drawn from the figures presented. The investigation concerns all the leading industries of England from manufacturing and mining to agriculture and commerce. As many as 8,500,000 persons are employed in the industries actually examined. In comparison with the returns for the years 1894 and 1895 those for last year are decidedly favorable. In 1894 488,357 persons had their wages decreased while only 175,615 had them increased. In 1895 351,895 had them decreased while only 79,867 had them increased. Last year, on the contrary, only 167,357 persons had their wages decreased while 382,225 had them increased. Thus there was a weekly gain in wages last year of £26,592 to contrast with a weekly loss in 1895 of £28,211 and in 1894 of £45,091. The rise in wages in 1896 included all important industries except mining, but was most pronounced in the engineering and ship-building trades. As regards hours of labor there seems to have been a steady improvement in recent years. In 1893 the average decrease in the number of hours of labor each week for those effected was 1.99. In 1894, when the eight-hour day was introduced in all government establishments, the average decrease was 4.04 hours. In 1895 it was 1.94 hours, while last year it was 0.73 hours. In addition to elaborate statistics in regard to rates of wages and hours of labor in different trades the report gives an account of the sliding-scale arrangements introduced or continued in force during the year 1896.

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IT HAS ALWAYS been a subject of regret among statisticians that so much of the admirable and original work of the Royal Hungarian Office at Budapest should be practically inaccessible through its publication in the Magyar tongue. Within limits imposed by national necessities, the office has made commendable efforts to make its work known to the scholars of other lands. The year 1896 saw the publication of a history of official statistics in Hungary, in German. A law of August 27, 1897, has reorganized the Central Statistical Office of the Kingdom, and we now have an official translation into English of this act which has been prepared and circulated by the office. Under the new law the statistical service is still further centralized and many of the usages of the office, such as the appointment of its staff and the co-operation of public school teachers in statistical enumerations, have been crystallized in statutory provisions.

THE BOOK RECENTLY published by Dr. Wilcox on "The Study of City Government,"\* contains an outline of the questions relating to municipal functions, control and organization. As a convenient little reference book on some of the more important municipal problems, the work will gain for itself a distinct and not unimportant place in the literature of municipal government. Unfortunately, the plan of the work does not permit of an organic treatment of the subject. The relation of the municipality to the state, the organization of municipal departments, etc., are treated as separate and unrelated questions between which the reader will be able to find little or no connection. Although the purpose of the author is to indicate rather than to deal exhaustively with the questions presented by our municipalities, the method he has adopted fails to give a clear idea of the interdependence between the organization and functions of the city. To attain this end, it is necessary to begin with the city as a political and social unit having distinct problems. To endeavor to separate these problems, before showing their intimate connection with one another, robs the subject of that real and living interest which one finds in the works of Shaw and Goodnow. To those interested in municipalities as one of the expressions of national political life, the careful classification of facts contained in Dr. Wilcox's book will offer valuable material. That these facts are not co-ordinated constitutes the great weakness of the book; a weakness inherent in the method of the author.†

IN THE ANNALS for January some account was given of the last Congress of the International Institute of Sociology which was held in Paris in July, 1897. In that connection it was stated that no congress was held in 1896, but that a volume of papers prepared by various members of the Institute had been published for that year. The volume,‡ which is now before us, contains several important studies of interest to sociologists. In a preface the General Secretary, M. René Worms, gives a statement concerning the history of the Institute and its activity during the year 1896. Then follow twelve papers, the longest of which is that by M. Paul de Lillienfeld on "The Graphical Method in Sociology." This is accompanied by several ingenious charts illustrating the plan advocated for the graphical representation of social data. It will interest all who have to do with making statistics readable, but will

\* *The Study of City Government.* By DELOS F. WILCOX, Ph.D. Pp. 268. Price, \$1.50. New York: The Macmillan Company, 1897.

† Contributed by L. S. Rowe.

‡ *Annales de l'Institut International de Sociologie.* Publiées sous la direction de RENÉ WORMS. Vol. iii. Pp. 462. Price, 7 francs. Paris: Giard & Brière, 1897.

probably be found too complex for very general use. The most original contribution to sociological theory is a paper by M. G. Tarde on "The Relation of Biology to Sociology," which is in the nature of a criticism of the fanciful biological analogies by one who is an advocate of psychological methods of analysis. M. René Worms contributes a paper on "Sociology and Morals," which discusses the influence of sociological study upon current theories of morals and upon the attempt to construct an empirical system of social morality. "Animal and Primitive Society" is the title of another of the longer studies contributed by M. Adolpho Posada, of the University of Oviedo, Spain. Some account of his theories of the beginning of social life was given in a review of his recent book published in the *ANNALS* for July, 1897. The titles of the remaining chapters are: "Botero and Campanella," by M. M. Kovalewsky; "Sociology of Politics," by M. G. Combes de Lestrade; "Progress of Political Institutions," by M. R. Garofalo; "Origin of the Nation," by M. Salesy Ferre; "Evolution of the Idea of Democracy," by M. R. de la Grasserie; "A Polish Sociologist; Stanislas Krusinski," by M. G. de Krauz; "Political Economy and Socialism in Relation to Sociology," by M. Limousin; "Causality in Sociology," by M. F. Puglia.

*THE Railway Age*, of Chicago, has published the first volume of a "Year-Book of Railway Literature."\* The declared object of the publishers "is to put annually into permanent form all papers or addresses on the public relation of railways, appearing or being delivered during the year, which seem to have permanent value." Although some of the papers included in Volume I will hardly rank high enough to possess enduring value, the enterprise of the publishers is a commendable one, and the annual issue of these volumes will serve the useful purpose of making good transportation literature available for a larger number of readers. The first fifth of the book is taken up with a discussion of the subject of railway pools by Mr. George R. Blanchard, Commissioner of the Joint Traffic Association, and Mr. Aldace F. Walker, Chairman of the Board of Directors of the Atchison, Topeka and Santa Fé Railway Company. This discussion is followed by nineteen papers in which transportation topics of current interest are treated mainly by railway officials. The last hundred pages of the book contain material that unquestionably possesses enduring value. The decision of the

\* *The Year-Book of Railway Literature*, Vol. I. Compiled and edited by HARRY PERRY ROBINSON. Pp. 427. Price, \$1.00. Chicago: The Railway Age. 1897.



United States Supreme Court and the dissenting opinion in the suit of *The United States vs. The Trans-Missouri Freight Association* are printed in full, as is also the decision of the same court in the *Interstate Commerce Commission vs. The Cincinnati, New Orleans and Texas Pacific Railway Company et al.*, the decision which denies to the commission the power to fix reasonable rates to take the place of those that have been held to be unreasonable.

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REVIEWS.

*New Governments West of the Alleghanies before 1780.* (Introductory to a study of the organization and admission of new states.) By GEORGE HENRY ALDEN, Ph. D., Professor of History in Cornell College, Mt. Vernon, Iowa. Pp. 74. Price, 50 cents. University of Wisconsin, Madison, 1897.

This monograph is another evidence of the recent tendency among students of American history to broaden their field of investigation so as to include the history of the West, if not, indeed, to make the West *the standpoint* from which to view American History generally. In this preliminary study Professor Alden discusses plans and propositions for new governments west of the Alleghanies as well as the forms of governments actually established. Chapter I is devoted exclusively to "schemes for new colonies prior to 1766." Herein we are reminded that for over a century the colonists along the seaboard had (naturally enough) no inclination to go beyond the Alleghanies. Indeed, little or nothing was definitely known of the vast territory beyond. Governor Spotswood was the first to cross the Blue Ridge in 1716 and bring back to the Virginians adequate information of the beauty and fertility of the western country. But it was not until 1738 that the first step was taken in the direction of political organization by the Assembly of Virginia, which made provision for the establishment of the county of Augusta. During the early part of the eighteenth century the population along the seaboard grew rapidly. Settlements were made beyond the mountains. The increasing interest in the settlement of the West was manifested in the formation of numerous "land companies," to which large tracts of land were granted by the crown. This resembled very closely the earlier colonization of America by trading companies. After a century of experience colonization was evidently still regarded as a matter of trade rather than as an affair of government. "The first public proposition for colonial governments beyond the mountains" was made in the Albany Congress of

1754. The Albany proposition was shortly followed by a number of similar propositions, all of which aimed at the same end, viz., the colonization of the West. Among these the most important were: Pownall's proposition, Hazard's scheme, the Pittsylvania plan, the Charlottina plan, and Lee's proposition. But "the King's proclamation of 1763, declaring the western lands reserved 'for the present' for the use of the Indians, probably checked these and other movements toward western settlement."

In the second chapter of his monograph Professor Alden discusses at some length two more schemes for new colonies, made soon after this King's proclamation. The scheme for a new colony in "the Illinois country" was for a time supported by Franklin, who was at that time in London. But the most promising project, and the one which was strongly urged and supported by Franklin, was the scheme of the Walpole or Vandalia company. Franklin was successful in his efforts to obtain a grant from the crown. But the execution of the papers for the grant was delayed. Hostilities between England and the colonies broke out, and the scheme came to nothing.

In Chapter III, the author advances the following conclusions which are based upon the discussions in the preceding chapters: (1) Practically every proposition for a new colony involved its location on the Ohio. (2) The men who supported these schemes were for the most part from Pennsylvania and New Jersey. (3) Nearly all of the schemes for new colonies in the West proposed an invasion of territory included within the Virginia charter. Yet there was at this time, *i. e.*, prior to the Revolution, no protest from Virginia. (4) The right of the crown to re-grant vacant lands, regardless of the fact that such lands fell within territory already granted in a charter, was generally recognized. (5) "Taking all things into consideration, we may conclude that the British government, during the period considered, was, in the main, not unfavorable to western settlement under certain regulations." (6) It is altogether probable that the object of the King's proclamation of 1763 was to quiet the Indians and not to discourage the ultimate settlement of new colonies in the West.

It was not until 1775 that anything was done towards the actual establishment of a new colonial government west of the Alleghanies. Transylvania was not merely a proposition; it was a real government. It was one of those extra-legal political organizations which have characterized the settlement of the West generally. The brief history of the Transylvania government is outlined by Professor Alden in Chapter IV. The monograph closes with a brief

consideration of new state schemes prior to 1780. The schemes for colonizing the West prior to the Revolution aimed at the establishment of British colonies. Schemes proposed after the Declaration of Independence aimed to establish new states. Westsylvania and Silas Deane's suggestion are the two new state schemes considered in Chapter V. The author's general conclusion is that "we may fairly say that the schemes for new western governments prior to congressional action on the subject, served as a not unimportant factor in ushering in that action."

BENJAMIN F. SHAMBAUGH.

*State University of Iowa.*

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*Les Origines du Socialisme d'Etat en Allemagne.* By CHARLES ANDLER. Pp. 495. Price, 7 francs. Paris: Felix Alcan, 1897.

The author of this valuable and interesting book believes in the power of ideas and of ideals to shape and direct social and political institutions; and believing that the thoughts of Savigny, Gans, Hegel, Rodbertus, Lassalle, Thünen and List, have profoundly modified the Germany of to-day, he thinks it worth while to examine carefully their ideas, to trace them at times to their sources, to compare them one with the other and to note their relative influences upon present day state socialism.

In the introductory chapter, after explaining briefly the purpose of his work, the author makes clear his understanding of the significance of socialistic doctrines, and thus acquaints the reader with his point of view. The socialistic problem is the abolition of poverty. One of the chief causes of poverty is established law. The Socialists, therefore, must set up an ideal law toward which they can struggle, and which, when secured, will abolish poverty. The first problem of the author is to describe the origin and bases of the new law which the Socialists propose.

He calls socialistic the systems of legal and economic thought which keep social needs in the foreground and adapt the protective organization of society to these needs. His second problem, therefore, is to discuss the socialistic treatment of social needs and the organization of labor proposed to satisfy these needs.

In the study of the distribution of wealth most political economists describe merely the effects of the established legal systems upon the distribution of wealth. The Socialists, on the contrary, present a preferable legal system which will, in their judgment, secure an ideal distribution and which, they believe, will thus abolish poverty. They believe that no one class in society has a

right to appropriate the means of production for itself at the expense of the other classes, and their theory of crises rests upon the belief that certain classes have thus deprived others of their due share in the means of production. The validity of the belief is examined by the author as a third problem.

All systems which propose a remedy for social crises by legislative means conformed to ideal juridical principles, are socialistic. He states and discusses the systems which have been proposed by the German State Socialists. And finally he calls socialistic the doctrines which teach that social solidarity can be realized not through any "harmony of interests" pre-established among men, but rather in a certain *milieu* called the state, and by the intervention of a collective, deliberating will. For his last problem, then, he will discuss the institution of this power proposed by state socialism.

In the present volume he completes only part of his task, discussing the origin of the socialistic conceptions of law, of property, and the retroactive effects of established laws; the socialistic conceptions of economics, of social value, of the organization of social labor, and of the distribution of wealth, under the captions of social revenue, of rent, of capitalistic revenue, and of wages.

The task of presenting the views of socialists, and of showing the relation between the different writers is thoroughly well done. The attitude of the author is, throughout, sympathetic, but he does not follow his leaders blindly. His position is that of one who anticipates more widely extended state action, but who feels that this increase of state functions ought to come gradually and without any especial effort on the part of individuals to hasten it.

There is in his judgment a social question—or rather there are several social questions—but their solution is not to be looked for immediately. Any attempt to realize now the plans of the Socialists would probably result in defeat. Society is not yet ready for their introduction.

He has no objection to the socialistic ideal of "liberty in justice," nor would he object to the further statement that "individual liberty can flourish only in a just society;" but he does not anticipate any immediate realization of complete liberty in this ideal society of the Socialists. He is inclined rather to see a gradual approach toward this ideal condition, and that through an increase in the functions of the state; but he realizes that the readjustment to new laws and new conditions that will be brought about by this increase in state functions must raise still more new social questions, and that all these social problems can never be solved. We may, however, rejoice in the thought of a continual progress toward a

better state, and may even enjoy the prospect of the "noble and insatiable torment" which leads us to pursue an ideal, even though that ideal can never be realized in its entirety.

It is to be hoped that the appearance of the next volume of this helpful and very suggestive study may not be long delayed.

Cornell University.

JEREMIAH W. JENKS.

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*A Short History of British Colonial Policy.* By HUGH EDWARD EGERTON. Pp. xv, 503. Price, 12s. 6d. London: Methuen & Co., 1897.

There are few fields of historical research which offer such opportunities to the investigator as the colonial policy of Great Britain. Three sciences, history, economics, and politics unite in a theme which possesses both historical interest and present importance; indeed, it is no exaggeration to say that the problems connected with her colonial policy are those of most vital importance to Great Britain at the present time. The history of British colonial policy is a subject as difficult as important. The territory which the historian is obliged to cover is large, and is full of paths that lead to many contiguous domains of closely related subjects. The literature, both primary and secondary, to be mastered, is extensive, and the successful treatment of the subject requires a rigid exercise of the powers of exclusion on the part of the author. Mr. Egerton has done his work well. He has kept to his subject, and has produced a well-balanced book written in a tone of commendable fairness.

The author divides his subject into five parts. The first division deals with the period of beginnings and ends with 1651, when the first navigation act was passed. The second part, covering the time from 1651 to 1831, is called the period of trade ascendancy. This was the period when the colonies were regarded as though they existed for the benefit of the commerce of the mother country, the period of the dominance of the mercantile system in political thought. The third division of the volume treats the time from 1830 to 1860, "the period of systematic colonization and of the granting of responsible government," "wherein a genuine attempt was at least partially made to develop colonization on some sort of scientific principles." The fourth section of the book covers the period extending from 1861 to 1885, which marked the zenith and decline of *laissez-aller* principles. The last section of the volume, in which the years since 1885 are considered, deals with the period



of *greater* Britain, a period characterized by the growth of a new spirit. "This new spirit shows itself, in the case of the self-governing colonies, on the side of the mother country in a deepened sense of their value and of their claims; on the side of the colonies in a wider imperial patriotism, and in a more serious recognition of the difficulties entailed upon the mother country by her European and imperial responsibilities."

Students of American history will be especially interested in the admirably fair and judicial treatment of the relations of Great Britain with her American colonies. The author's impartial analysis brings out clearly the mistakes of the British policy that resulted in the separation of the colonies from the mother country. Especial emphasis is laid on the influence which the weakness of the executive part of the government that England established in the colonies had in bringing about the overthrow of British rule. The conclusions of the author regarding the failure of the British government in the American colonies are so suggestive as to merit quotation: "It is a strange irony," he says (page 133), "which has fastened the epithet tyrannical on the conduct of England toward her colonies. Incapable, weak, causing the maximum of friction with the minimum of result, colonial policy may have been, but to call it tyrannical is to travesty either language or facts. The situation, perhaps, admits of a general reflection. The government of the colonies, as the government of the mother country before the complete evolution of party government, may be defined as one possessing representative institutions but not responsible government. Now it may be safely affirmed that of all governments such a one is the most difficult to carry on. Order is possible under absolutism and under popular government. But the *tertium quid*, which confers power while refusing responsibility, generally, and we may almost say, inevitably results in anarchy. In England such logical issue was avoided by the organized employment of bribes, and by the defective character of parliament, from a representative point of view; but the colonial assemblies were not of sufficient importance to be sought as Danae by the metropolitan Zeus, while they did represent the people of the colony. Consequently, in their case, there were no retarding influences, and the impossible character of such government was completely brought out."

The book throws much light upon the history of the mercantile system. While the author is not a defender of that system he fully appreciates the objects which its defenders had in view and the results which were accomplished by adherence to it in the development of the foreign commerce and merchant marine of Great Britain.

Mr. Egerton's study has not given him much enthusiasm for Imperial Federation. He believes that it presents a plan that is neither workable nor capable of producing desirable results. He goes no further than to advocate including representatives of the colonies, the Agents-General, in the Privy Council. Australian Federation is approved, but the obstacles in the way of its achievement are clearly set forth. The union of the Australian governments will probably be achieved in time, and the results of their union will be beneficial to the British Empire.

The book, as a whole, is a valuable contribution to the literature of political science. It is a careful and thorough analysis of the working of British institutions under those conditions which have given them their severest test. In no other field of practical politics have the virtues of English institutions been more carefully tested and with results of which the British nation may be more proud. Although the author says concerning the narrative of British Colonial Policy that "the story has been largely a chronicle of mistakes and failures, sins of omission and commission, for some of which we are suffering to-day," yet, with the exception of the loss of the American colonies in 1783, success has been secured in spite of mistakes and failures, and the prospects of the continuance and more complete unification of the empire in the future are at least encouraging. Mr. Egerton's study has made him in no sense a pessimist; he has full faith that British institutions are to enjoy a future as successful as their past has been.

The book closes with a comprehensive critical bibliography which will be appreciated by all students of the question. The evolution of the British Empire in the future is certain to give increasing importance to the subject of Mr. Egerton's study, and this makes the service which he has rendered to students the greater.

EMORY R. JOHNSON.

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*Municipal Problems.* By FRANK J. GOODNOW, A. M., LL. D. Pp. 321. Price, \$1.50. New York: The Macmillan Company, 1897.

During the past year Professor Goodnow has given us two important contributions to the study of municipal government. The present volume, together with that on "Municipal Home Rule," constitute the first systematic attempt to determine the position of the municipality in our political system. For this reason, if for no other, Professor Goodnow's work deserves an exceptional place in the literature of American political institutions. Notwithstanding the fact that the author is breaking new ground, he shows so

thorough a grasp of the subject in its different bearings, that subsequent writers will find the most fruitful plan of work mapped out for them in the lines of research indicated in the suggestive chapters of these two books.

The discussion of municipal problems in the present volume, as well as in the volume on "Municipal Home Rule," is in the main a legal discussion, dealing with forms of organization and with the probable effect of changes in such organization upon our political system. The author has happily avoided the great danger in this method of treatment, namely, that of considering one part of a system isolated from the other institutions to which it belongs, and of which it forms a part. He has kept constantly in mind the organic relations existing between city and state and the influence of any change in that relation upon state as well as municipal activity. Furthermore, in considering the organization of the various organs of municipal administration, the reader is impressed with the close interdependence of these organs and the consequent impossibility of changing the constitution of one without profoundly affecting the working of the others. The chapters which illustrate these principles most clearly, are those dealing with the sphere of municipal activity and the relation of the city to the state. The necessity of combining some kind of central control with a large measure of local autonomy is clearly shown. The possibility of attaining this end, however, is just as much dependent upon a change in the attitude of the state legislature toward cities, as upon a change in the constitutional relations between city and state. Up to the present time the legislature has regarded the city as its creature and agent. It has made no distinction between those municipal functions which are distinctly local in character, and those which affect and are of direct interest to the state at large. As a result, the justifiable control over the latter has been extended to the former, where it takes the name of "interference" rather than "control," and tends to hamper the activity of local authorities as well as to diminish the incentive to local initiative. It is upon this distinction between the functions of *general* and *local* concern that the author develops the principles of state control over the affairs of municipalities. This distinction furnishes the keynote to that portion of the work which deals with the relation of the city to the state.

Professor Goodnow has clearly seen, however, that a change in the organic relations between city and state, together with a change in the attitude of the state legislature, is not sufficient to bring about a healthful development of our municipal institutions. The

last five chapters of his work deal with the organization of the municipality, together with the more prominent political forces determining the actual working of the system. Amongst the latter the author deals with universal suffrage, and the influence of national political parties. The high plane upon which the discussion of these complex questions is maintained is a matter for sincere congratulation. The perspective has not been distorted by a narrow interpretation of immediate expediency. The permanent and "long-run" interests of the country furnish the basis for the treatment of these questions. Keeping these principles in mind, the author is able to avoid the superficial treatment of municipal reorganization which characterizes so much of the literature on municipal affairs. He has clearly seen that a change in the organization of our municipal governments rests upon a modification of our political ideas and of the method of reasoning in municipal matters.

In discussing the most efficient organization of the city executive and the city legislative, the author does not hesitate to set himself against the trend of opinion. The chapter on the City Council is particularly interesting and suggestive in this respect. The author starts out with a clear statement of the rôle of the municipal council in the life of a municipality, showing how necessary an organ it is to preserve local autonomy. Local representative bodies, with wide legislative powers, are indispensable to the maintenance of popular governments—of real local self-government—and constitute in their reactive effect one of the great educational forces in a community. It is, therefore, a matter of the very greatest importance that our municipalities be so organized as to leave room for a vigorous local representative assembly. The tendency to reduce the city council to a position of insignificance and to strengthen the executive at its expense cannot furnish the basis for a vigorous development of local institutions in a country where democracy means popular responsibility, and popular responsibility means popular election. Such a system results in the transference of the elective principle from offices where it is justified, viz., the election of councilmen; to offices where the system works real harm, as in the election of heads of departments. Professor Goodnow demonstrates how the appointment of new heads of departments by each incoming mayor takes from the administration the continuity and stability necessary to good government.

We are unable to enter upon a more detailed presentation of the author's recommendations as to changes in our present system. To separate such recommendations from the arguments with which they are supported would be to rob them of their value. Only through

the careful reading and re-reading of the work is it possible to do justice to the breadth of view and careful analyses of the author. No single change will solve the complex problem of city government. Changes in political ideas, in methods of individual action and thought, in forms of organization and in the spirit of administrative work must be effected, before we can hope to have good city government.

L. S. ROWE.

*Statistik und Gesellschaftslehre.* By Dr. GEORG VON MAYR. I Band, *Theoretische Statistik.* Pp. 202. Price, 6 marks. Freiburg, 1895. II Band, *Bevölkerungstatistik.* Pp. 486. Freiburg, 1897. (*Aus Handbuch des öffentlichen Rechtes, Einleitungsband*).

The well-known "*Handbuch des öffentlichen Rechtes*," projected by the late Professor H. Marquardsen, bids fair to be a perennial enterprise. The last two years have seen the appearance of fragments of an introductory volume, destined to embrace not only general political science, but the main branches of economic science as well. The monographic character of the entire work may well excuse us from any consideration of the internal harmony of the publication as a whole. It may be doubted whether Professor Philippovich, in his treatment of political economy, or Professor von Mayr, in his treatment of statistics, was influenced in the slightest degree by the fact that his book was to be part of a hand-book of public law, and as such was to appeal primarily to jurists. In fact, the wide scope given to the collection has necessitated the practical independence of the numerous contributors.

Dr. von Mayr's work is as yet incomplete. The hope expressed in the "*Theoretical Statistics*," that a second volume on "*Practical Statistics*," would complete the work has not been realized. The author has, like his predecessors, been led to give the subject of population statistics a separate treatment. It was the promise of a comprehensive treatment of practical statistics which led me to defer a notice of the author's "*Theoretical Statistics*." I felt some curiosity to see how the two would be fitted together, and did not wish to pass judgment upon the author's theory until I had seen it put into practice. Indeed, I cannot but feel that the author has, like Professor Richmond Mayo-Smith, accomplished the easiest part of his task. However, a further postponement of a notice of Dr. von Mayr's work until its completion would not be just either to the author or the readers of the ANNALS.

Statistics, says Dr. von Mayr, is the science of aggregated human phenomena (*menschliche Massenerscheinungen*). The significance



of the definition is not apparent to the layman, and, indeed, as in most German text-books, the introductory statements dealing with the abstract relations of the subject, make hard reading. On a closer examination it will be seen that the two more or less opposed views of statistics as a concrete science of social facts on the one hand, and a science of method on the other, find almost equal expression in the definition. It is not our purpose to discuss here the justification of this amalgamation of the two conceptions. So far as the author has proceeded, it must be admitted that his treatment of the subject follows logically from this definition. The definition requires first a logical unity of methods of investigation, second, a co-ordination of the results of statistical research into a well-rounded, coherent body of thought. Without denying the interest of the second volume, of which we shall speak, it may be doubted whether Dr. von Mayr has applied his scientific ideal to the statistics of population as successfully as he imagines. In the remaining domain of practical statistics the difficulties of the application seem even greater. The only way to avoid these flounderings appears to the reviewer to lie in the acceptance of the proposition that scientifically considered statistics is a method of investigation and nothing more.

If statistics be, as Dr. von Mayr asserts, the science of human or social aggregates, it is evident that a consideration of such aggregates in general, their accessibility to investigation, and the means of investigating them, must precede the study of the specific characteristics of the definite aggregates, or types of aggregates. These general considerations constitute theoretical statistics, while the special study makes up practical statistics.

In fact, the greater part of the first volume is devoted to the method and technique of statistics. The application of statistics to the social aggregates instead of the aggregates in general (Meitzen) leads the author to treat of statistical method in its particular application, and to make, therefore, no fundamental difference between questions of technique and those of method. In contrast with the opposite procedure of Meitzen, the treatment gains in interest, through the frequent reference to concrete problems. For ordinary, and, indeed, for most trained readers, the treatment would have gained still more in interest if the illustrations had been elaborated and not merely suggested, as in many cases. The steps in the statistical process are stated with great care, and an occasional hint is thrown out of the pitfalls which beset the inquirer which quickens and enlivens the whole treatment.

But after all this part of the study is by no means food for babes. When it is understood that the author follows in the main, with

the distinction already noted, the analysis of Meitzen it will be understood that it requires a well-ordered, patient and long-suffering mental digestion to fully assimilate it. It is to the nature of the subject rather than to the treatment that this is due. There is at times what appears to be an over refinement of treatment, an insistence upon matters of terminology which jars upon the reader. The terminology of statistical method in all its details is by no means fixed, and there is no obvious need of the author's elaborate subdivisions. It is too often assumed that a thing is explained because it has a name given to it. The German tendency to look at a subject from every possible point of view, promotes, like the plans of an architect, a knowledge of detail, but often interferes with the just appreciation of the significance and relations of parts, which we gain from a perspective drawing.

The theory of statistical processes is followed by a consideration of statistical administration and the history of statistics. Here the author touches concrete ground and is forcible and direct. The intimate connection of statistics and administration is emphasized by the author's definition of statistics and hence these chapters fit well into the general plan of the work.

The volume thus far considered is, after all, a book for specialists. It constitutes the clearest and most comprehensive statement of statistical methods as applied to social phenomena that has yet been given us. The sketch supplied by Meitzen is filled out. With this enlargement it becomes more convincing. Those versed in statistical lore feel surer of their ground. They do not have to strain so much to catch the author's meaning. In the main they will concede the justness of the author's views and the exactness of his analysis.

The second volume, on the statistics of population, embodies a portion of what the author designates as the system of practical statistics. A further volume is to treat of moral, intellectual, economic and political statistics, and complete the entire work. In accord with his definition of statistics the author endeavors to prepare a second volume from a cognate though different point of view. In this volume he tells us he is not so much concerned with methods as with results, with the establishment of various uniformities in the structure and processes of population. Yet, since the special field of investigation gives direction to the statistical methods, we must always examine the process by which the facts are gathered. Thus we have for the many relations of the population a discussion of the means employed to secure the facts and to collate and present them. This preliminary discussion

marks the point of contact of the first and second volumes. It often expands to a summary and critique of the practice of the leading nations. However much or little it may have lain in the author's intention, this discussion of method is the real binding element in the book. However important the results, the reader cannot escape the impression that they are related to one another chiefly as the fruits of a common method of investigation. In the reader's recollection the unity of the material fades before the unity of the method. It is not so much the definite results of population statistics, though these are presented with commendable detail, which impress themselves upon him, as the fine and pertinent criticisms of methods of collecting and collating statistics for displaying particular relations.

In the arrangement of his materials Dr. von Mayr follows the usual order, discussing the structure of population before the changes of population. For the general population he discusses the territorial, natural and social distribution of the population, and then proceeds to a brief consideration of certain selected groups of the population. In his treatment of the changes of the population, he distinguishes between those which affect the quantity and those which affect the quality of the population. Among the former are considered the changes due to births and deaths and, for limited areas, migration. Among the latter are treated the changes due to marriage and divorce, and the rudiments of general statistics of morbidity.

In his treatment Dr. von Mayr has accomplished marvels of completeness and self-restraint. He has followed the relations of the population into their furthest details. He has shown the significance of the various combinations of population data, and has usually given at least a few pregnant illustrations. When we are concerned with the more usual and customary relations he has expanded his illustrative material until it practically amounts to a reference book for statistical data. Where the official statistics of the more important states are defective—and it is surprising how often they are—he has rummaged through the multitudinous tomes of lesser states until he has found the material needed.

In order and arrangement these volumes show care and forethought. Each of them is provided with an ample index, while throughout the books a full bibliography follows each paragraph. The references, generally by page, are most exhaustive, and a marked tribute to the author's survey of the field of statistical literature, and to his system in writing. Despite these excellences the references may be severely criticised as defeating their own object.

Certain systematic works on the subject of statistics are practically indexed in these references. The author never takes up a subject without telling where X, Y and Z have treated the same subject. Now it may be, and very frequently is, that X, Y or Z's treatment is distinctly inferior to that of Dr. von Mayr. Such references serve no useful purpose and would disgust the reader who should look them up. They are very numerous in Dr. von Mayr's pages, and throw into the background the really useful references to monographic and periodical literature. It requires great discrimination to know how to use the references given.

In a book of high standing one is often impressed by flaws which are thrown into relief by the very excellence of the background. This should not, however, blind us to the merits of such works or cause us to withhold praise which is justly due. Dr. von Mayr's work is the foremost systematic presentation of statistics which has been given to the world in many years, and will probably be a standard work for a long time to come. No work of recent times does so much to clothe the subject with the full dignity of a science, and to assert its right to such dignity. This latest and most matured fruit of the genial author's life-long labors in the service of statistical science has received a warm welcome from professional statisticians, and will prove of the utmost value to all who are interested in social and economic science.

ROLAND P. FALKNER.

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*The History of Mankind.* By Professor FRIEDRICH RATZEL. Translated from the second German edition by A. J. BUTLER, M. A. With introduction by E. B. TYLOR, D. C. L., F. R. S. With colored plates, maps and illustrations. Vol. II. Pp. xiv, 562. Price \$4.00. London and New York: The Macmillan Company. 1897.

We may classify the races of mankind either according to their ethnological affinities, or with reference to their respective geographical situations. Professor Ratzel employs both standards and seeks to reduce them, as nearly as may be, to common terms. The Pacific islands form the geographic basis of the ethnography of the first volume of the English translation of the "*Völkerkunde*," and the races of Oceania, the Australians, and the Malays and Malagasies are there described as living within this territory. But all these people belong at the same time, ethnologically, to what Professor Ratzel calls the "American Pacific Group of Races," and under the same head he further includes the aborigines of America and the Arctic races of the Old World. Thus the second volume

of "The History of Mankind," while concluding the ethnography of this so-called "group of races," advances us geographically to the American continent, and then leads us back across the Behring Straits into the Arctic regions of Asia and Europe. Having completed his account of the American Pacific group of races, Professor Ratzel next carries us over into Africa and devotes himself in the two following books to a description of the Ethiopian races, dealing in the third book with the Light Stocks of South and Central Africa, and confining Book IV exclusively to the Negroes. The present volume contains but the first section of the latter book, however, giving us an account of the South and East Africans.

It is as a geographer that Professor Ratzel is at his best, and the main interest of the present volume therefore centres about his descriptions of the American and African continents. Regarded from the standpoint of the concrete, civilization is relative to time and place, but the influence of the two elements is by no means constant; for primitive culture is predominately determined by the environment, and it is only in the higher stages, when man has learned to control the forces of nature, that the time element becomes the chief determinant. While premising the antiquity of the various stages of culture he is describing, Professor Ratzel is therefore right in laying most emphasis upon the physical environments in which they are found. Ethnography thus follows from geography, and from this point of departure the primitive civilizations of Africa and America become more intelligible.

In the first volume geographic conditions were further employed to aid in solving the ethnological problems of the Pacific islands, and we were there led to expect that the same methods were to be used in the second volume for determining the still more difficult questions of the peopling of America and Africa. But such is the evident antiquity of the human race that the present distribution of the land and water surfaces of the earth can not lead us far back of the historical period, and ethnological conclusions based upon the presumption of "ancient bridges of land" are, according to our author, geological hypotheses "needing the keenest scrutiny."

Thus the idea suggested in the first volume of a two-fold migration from Asia across the Pacific to America, *via* Behring Straits on the one hand, and by way of Easter Island on the other, is not further elaborated in the present work. Connections are, indeed, pointed out, in passing, between the Indians of Northwest America and the South Sea Islanders (p. 100), and again, between the Eskimo and the Arctic races of Northeast Asia (p. 107); but, lest we should presume too much from this, we are expressly told that



"the question as to the origin of the American civilizations is forever unanswerable" (p. 167), and that "the roots of those wonderful developments reach down to some primeval common property of all mankind, which found time in the thousands of years which precede history to spread itself over the earth" (p. 170). And without any further scrutiny of the various hypotheses offered to explain the manner and direction of these primeval migrations, we are informed in conclusion that we may nevertheless "hold firmly to the relationship of the Americans with the East Oceanic branch of the Mongoloid race."

The question of the peopling of Africa is equally obscure, but everything points, Professor Ratzel says, to successive waves of migration from the north and the east, each wave becoming absorbed in the mass of the earlier comers and each in its turn modifying the type and giving rise to still further variation. The search for the typical negro thus becomes futile, and, in the author's opinion, we should rather take the essential unity of the Ethiopians as our point of departure and endeavor to account for such variations as we find on the above mentioned hypothesis of successive migrations from the north and east (p. 245). Central Africa accordingly contains the most typical population, while the Soudan "forms the middle term between dark and light Africa, apparently divided parts out of which its mobile races have tended to make one whole" (p. 246).

Before entering into the details of American and African ethnography Professor Ratzel takes a general survey of the conditions of culture in each continent, contrasting them one with the other and comparing them with the more advanced civilizations of the Old World. These chapters on "The Americans Generally" and "The Negro in General" are the most instructive and interesting of the present volume, and it is here that the prevailing geographical conditions are best set forth as efficient causes.

Regarded from this point of view and "rightly understood, the New World has," according to the author, "to supply the key to the greatest problems of anthropology and ethnology. The reason for its decisive importance is to be found in its isolated position." Polynesia also offers interesting examples of isolating influences, "but it shows us neither the persistency of a single racial type under all climates of both hemispheres, such as we find it in America and nowhere else; nor yet all the stages of culture, from the Fuegian, on a level with the Tasmanian, up to the wealthy Incas of Peru." And "nowhere else on earth do we get a more enthralling insight into what man, under the influence of progress

and retrogression, checks and aids to development, is capable of becoming" (p. 10). Comparing America with Europe, Professor Ratzel says: "The contrast between pastoral and agricultural races which gave rise to the civilization of the Old World, is reduced in the New to a contrast between nomad and settled tribes" (p. 163). We should not therefore speak of American race migrations "as if they had all taken place under one impulse and in one connected period," for "nothing is known of any such migration in America, nothing comparable, in that land without herds or herdsmen, to our period of the 'Wandering of the Nations' " (p. 165).

In like manner "we must bear Africa in our eye if we would understand the Africans." Its "unfavorable position at the end and on the border" accounts, in our author's opinion, for "the backward condition in which the people of South Africa have remained" (p. 237); and its connections and approaches lying in the direction of its northern and eastern sides, "the ethnography of Africa will be constructed on a general Old World, and specially Asiatic basis" (p. 239). Professor Ratzel also takes into account the hydrographic, orographic, climatic and geognostic conditions peculiar to the African continent and thus lays a broad geographic foundation for his ethnographical conclusions.

But external conditions only work indirectly upon the progress of civilization by providing and limiting the food supply, by stimulating or repressing inventive ingenuity, and in aiding or checking the accumulation of wealth. It is economics, in other words, which forms the middle term between geography and sociology, and this element being disregarded in Professor Ratzel's work, the sociographical details here set forth lack the cohesion that we now have some right to expect. True, much of the detailed material collected by sociologists is useless because fitted to the frames of untenable hypotheses, but doubting the theories of social evolution thus far advanced and suggesting no other, Professor Ratzel only offers us a mass of data which admits of no orderly arrangement. As Comte expressed it: "If it is true that every theory must be based upon observed facts, it is equally true that facts can not be observed without the guidance of some theory." Thus while we are groping about for a satisfactory theory of social evolution, even such an array of facts as these now offered by Professor Ratzel are, as Comte would have insisted, but "desultory and fruitless," although we are properly introduced to them through the wide doorway of geography. As geology is rationally antecedent to geography, so ethnology logically precedes ethnography, and this much is admitted by our author. But it is equally true that some sociological

hypothesis, however vague it may temporarily be, must guide us in our sociographical descriptions if the data set forth are to serve any more than an antiquarian purpose.

Like the former volume, the present volume is sumptuously gotten up and profusely illustrated. The maps facing pages 336 and 337, showing the civilizations and races of Africa, are instructive in themselves and a great aid to a proper understanding of the text. Having such admirable maps of Oceania and Africa, it is to be regretted, that none is given of America so that the reader might more readily locate the centres of culture in the New World and note the relative positions of the various savage tribes described. As the work is so purely descriptive there are few special conclusions to discuss. We are surprised, however, to learn on page 131 that "slavery was customary among all Indians," and would be inclined to doubt the assertion unsupported as it is with any further proof. The statements contained on pages 331 and 369 in regard to the feelings of African parents toward twins are contradictory as they stand, but probably because the terms employed are too general.

The translation of the present volume is of uneven merit and not up to the standard set in the first volume. To take an extreme example, on page 291, the sentence "the mother carries the baby on her back in a lamb's skin, with the hind-legs round her waist and the fore-legs round her neck" requires at least an elementary knowledge of human anatomy on the part of the reader for its proper interpretation; whereas, by rights, an understanding of English should suffice.

To summarize: the second volume of the "History of Mankind" continues the author's account of the various races of man and notes the influence of the environment upon the respective civilizations of the Americans and Africans. Everything in ethnography that can be directly established from geography is well substantiated, and many interesting suggestions are offered from the same point of view to elucidate some vexed questions of ethnology. When the field of sociography is entered, however, there is nothing to guide the reader, but this defect may perhaps be better attributed to the imperfections of our infant sociology than to any lack of consistency on the part of the author.

LINDLEY M. KRASBY.

*Bryn Mawr College.*

*The Social Mind and Education.* By GEORGE EDGAR VINCENT.  
Price, \$1.25. Pp. ix, 156. New York: The Macmillan Co., 1897.

There never was a time when attention was so strongly concentrated on the collective idea in general as at present. Books and articles are constantly appearing, each presenting some aspect of this idea. Simmel is talking about collective responsibility, Durkheim about the social division of labor, Le Bon about the psychology of crowds, Novicow about social consciousness and will, and Ross about mob mind, while the large class of sociologists who call themselves "organicists" are laboring to show that society itself is analogous to, if not identical with an animal organism fully integrated for the performance of functions common to the whole. All this is no doubt due to a growing solidarity in society which is perceived by each of these writers under different aspects according to the constitutional differences in the human mind. Its historical significance may be expressed by saying, without any pretence to exactness, that, in Europe and America at least, the predominant idea of the eighteenth century was paternalism, that of the nineteenth has been individualism, while that of the twentieth is to be collectivism. The constitution of the state corresponding to and resulting from these several ideas has been respectively autocracy and democracy for the eighteenth and nineteenth centuries, with a prospect of something approaching to what has been called sociocracy for the twentieth.

The work before us is a laudable and largely successful attempt to set forth the history, character, and present status of this movement. So small a work could, of course, do this only in its most general aspects, but the matter has been well sifted, judiciously selected, and logically presented. The bearing of education upon the subject, as indicated in the title, only becomes clear on reading the book. It is made to appear so by showing that back of the movement is a widespread philosophy which has been slowly taking shape and influencing thought and action. That this philosophy has been growing more and more practical with time is obvious to the most superficial observer. Science, which is so intensely practical, is making it so and it is beginning to be seen that philosophy is, after all, only a sort of science of the sciences. But the close work that has been done on the classification of the sciences, especially in their hierarchical arrangement by which the broader and higher ones are shown to grow out of the ones below them, and to contain all that is in them with a large *differentia* of their own, has naturally raised the question what is to be the last of this series,

the broadest and highest of them all, that must contain them all and itself constitute the real *scientia scientiarum*. Professor Vincent is not the first to see that this can be none other than sociology in its widest sense, or, as he prefers to call it, social philosophy.

It is here that the educational side of the book finds its sanction. It is through education, in the proper sense of that defective word, that science must be acquired and make itself felt. But the road to the great crowning science lies through the humbler ones, and it is no royal road. It is a long road at best, and the educational problem of to-day may be said to be the shortening of this road so that the maximum number may succeed in really traversing its entire length and reaching the goal. There is a school of educational philosophers who insist, with more or less unanimity, that the individual must make this journey in all respects as the race has made it, by the trial-and-error method—in a word, through experience. One of the chief objects of this book I take to be to point out the fallacy of this reasoning, and to show, as the author expresses it, that there are many "short cuts" which may be taken, by which both time and effort can be saved and practically the same results secured. It is strange that in this age of steam and electricity it should be necessary to defend so manifest a principle, but the educational field seems to be the only one left in which pioneer and stage-coach methods still prevail.

The modified form of Rousseau's education of nature that has grown up under modern doctrines in biology, is that education for the individual must stand in some such relation to the great school of experience through which the race has had to pass as the embryonic and foetal development of every higher organism stands to the evolution of its race—must be, not indeed a repetition, but a recapitulation of the entire history of the knowledge acquired. But even this, when squarely looked at, is seen to be an absurdly expensive method, and one which would have as its practical effect the exclusion of the majority from the acquisition of most of the useful knowledge of the world. A single illustration, not indeed adduced by our author, will make this clear. Almost the last truth that science has revealed is perhaps the most useful of all, viz., the true nature of zymotic diseases. Consider the prolonged and almost hopeless search that the world has made after the causes of the commonest diseases with which men are afflicted! It is scarcely half a century since the truth fairly dawned, but the knowledge of the cause is rapidly leading to successful remedies and a great extension of human life. Now the greater part of all that it is necessary for any but the physician to know of this hard-earned result can be taught



to a class of intelligent students in a single well-arranged lecture! A "short-cut" indeed! But what is true here is true in varying degrees of nearly all useful knowledge, and it is of the utmost importance that such knowledge be put, by the most direct method possible, into the possession of all. Whatever may be the limitations to the transmission of "characters," physical or mental, all at least are agreed that knowledge is not transmissible, and notwithstanding the rapid increase of the sum of knowledge, every one must acquire it all anew for himself, and no one can stand in this respect as a substitute or proxy for another.

All hope, therefore, of securing any adequate measure of social assimilation of the increasing knowledge in the possession of mankind seems to depend upon the adoption of educational methods that will insure the extension of the most necessary part of it to the maximum number through the simplest forms of instruction; and therefore we can fully endorse the following paragraph:

"It is not, then, Utopian to believe that the time will come when many of the ablest minds will be specially trained and devoted to the service of helping college students to organize and integrate their studies into a philosophy of social life and a way of looking at the universe. For this is a task which cannot longer be neglected. If the experience of the race counts for anything, the view of the whole is quite as important as the knowledge of details. This view of the whole should not be left to happy accident. A purposeful 'short-cut' must be directed to the higher education. 'Knowledge comes, but wisdom lingers.' Much has been done to hasten the advent of knowledge. It remains to accelerate, in some measure at least, the tardy pace of that unified knowledge, which is wisdom" (p. 135).

Of the merits and efficacy of the "curriculum" proposed for securing this general end the present writer does not feel qualified to speak, chiefly from lack of experience in the practical work of teaching, and he prefers to leave this part of the book to other reviewers competent to do justice to this important aspect of it, but of the main positions taken in the work and of its general tone and tenor, not less than of its admirable temper, there should be, it would seem, but one opinion, and that a decidedly favorable one.

The work bears evidence of extensive and painstaking research and contains very few errors of citation. One only need be noted. Mr. Spencer does not, in his latest classification of the sciences,\* place "astronomy after physics and chemistry," as stated on page 48, but merges physics and chemistry in geology, which he places

\* See *Science*, New Series, Vol. III, No. 60, Feb. 21, 1896, p. 294.

after astronomy. The typography and general make-up of the book leave nothing to be desired, and there are very few typographical errors in the text proper, but owing to hasty proof-reading an unusually large number of such occur in the numerous citations in foreign languages, which will doubtless be corrected in another edition. It has a good index.

LESTER F. WARD.

Washington, D. C.

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*The Workers (The East). An Experiment in Reality.* By WALTER A. WYCKOFF. Pp. xiii, 270. Price, \$1.25. New York: Chas. Scribner's Sons, 1897.

Mr. Wyckoff, who is now Lecturer in Sociology at Princeton University, gives in this very readable volume, the contents of which have already attracted wide attention as they appeared in the form of articles in *Scribner's Magazine* last year, a view of the life of the unskilled laborer in certain industries in the East. The author seeks to furnish an accurate account of the unskilled laborer's view of life as well as to give a clear picture of the social and economic conditions acting upon him. The author spent some time in southeastern New York and northern Pennsylvania in actual experience with the problems which he discusses. He set out in July, 1891, with a small pack and dressed as an ordinary workingman in search of work, willing to turn his hand to anything that might earn for him the next meal or a night's lodging, and without any special fitness for manual occupation. He relates his experiences with a vividness that holds the reader's attention from beginning to end; his command of language and his power of expression have made his work a literary success. The experiences gathered in the present volume, which is to be followed soon by one dealing with conditions in the West, cover a period of little over three months, during which time he was occupied for more or less considerable periods as a day-laborer at West Point, as a hotel porter, as a hired man at an asylum for the insane in southeastern New York, as a farm-hand in northeastern Pennsylvania, and as a laborer in a logging camp in a lumber district near Williamsport.

To the real student of labor problems much of this experience will seem to be too fragmentary a basis for far-reaching deductions from the facts presented in Mr. Wyckoff's book. Indeed, one chief merit of the book is that the author himself does not make any sweeping or far-reaching deductions; he allows his narrative to

produce its effect through its strong human interest. The conclusions are somewhat uneven in their value for the student; those dealing with the life of the unskilled laborer at West Point and of the farm-hand furnish more food for reflection to the students of labor conditions than the others. Studies which help us to get at the psychology underlying the life of the different classes in society, are of great importance, and Mr. Wyckoff's book, in view of the fact that it will reach a large number of readers and hold their interest, will be productive of much good in stimulating the right kind of study of social questions. On the basis of the same experience, however, Mr. Wyckoff could doubtless give a much deeper and far-reaching analysis of the psychology of the unskilled laborer for the benefit of technical and scientific audiences. Something has necessarily been sacrificed in making this narrative readable and interesting for the general public.

SAMUEL McCUNE LINDSAY.

## ASSOCIATION MEETINGS.

### THE NATIONAL CIVIL SERVICE REFORM LEAGUE.

The seventeenth annual meeting of the National Civil Service Reform League held at Cincinnati, December 16 and 17, 1897, came at a time when its proceedings would be followed carefully by friend and foe because of the congressional attack led by General Grosvenor. Delegates from nearly all the Eastern and Middle States and from some of the Southern States were present.

The first day's session was devoted to the meeting of the executive and general committees, to the reading of the secretary's report, and the report of the condition of civil service reform in the several states.

The secretary of the league, Mr. George McAneny, submitted with his report an "Open Letter to the Hon. C. H. Grosvenor, in Reply to Recent Attacks on the Civil Service Law and Rules," containing a refutation of that congressman's inaccurate statements regarding the civil service law and its enforcement.

The reports from the several states were more or less favorable. Mr. Woodruff declared that Pennsylvania's hands were tied by Senator Quay, but that public opinion was gradually being aroused in favor of reform. Mr. Ela, of Chicago, predicted that the Supreme Court of Illinois would uphold the Chicago reform act, in which event the civil service system would be given a fair test. Since the meeting the Illinois Supreme Court has sustained the law.

Mr. Rodgers, of Buffalo, stated that the reformers of New York would use every legitimate means at their command to defeat Governor Black's attempt to "take the starch out of" the New York law. Mr. Bonaparte, of Baltimore, assured the delegates that the recent defeat of the civil service reform law proposed for Maryland was the best thing that could have happened, as the measure was drawn with the express purpose of defeating true reform. Mr. Foulke, of Indiana, in commenting upon the proposed legislation in Congress affecting civil service reform, stated that he did not think it probable that any serious adverse legislation would be enacted.

On Thursday night Hon. Carl Schurz delivered his annual address as president of the League. Mr. Schurz, in his lucid, simple and convincing way, presented the whole case for civil service reform in such a manner that this address will hereafter be the

source to which all who seek arguments for the purpose of conviction, as well as of refutation, must have recourse.

It is impossible, within the limits of this note, even to attempt a summary. But it is due to President McKinley, whose conduct as a civil service reformer since his inauguration was highly praised, and in whose public utterances the members of the League place the utmost confidence, to quote what President Schurz said of him.

"True to his honor as a gentleman, to his vows as a Republican, and to his duty as President of the United States, Mr. McKinley stoutly held his ground against the fierce foray which was set on foot to overwhelm him. It may be said that to resist pressure, especially pressure from party friends aiming at a wrongful object, is the first and most obvious duty of the head of a state, and that its simple performance does not call for extraordinary praise. But when faithfully performed against unusual urgency, as in this instance, it deserves a tribute of gratitude, and this tribute should be heartily paid to President McKinley by every true friend of good government."

In its declaration of principles the League demands of every Republican senator and representative a faithful fulfillment of his party's pledges to enforce the present federal civil service law and to extend its operation wherever practicable; it recognizes in President McKinley's non-removal order, except for good cause and after actual notice, a wise and just measure, and demands its fair trial; it further demands that the merit system be applied in the Census Bureau.

The League likewise renews its previous declarations in favor of the repeal of the four-year tenure of office act, the extension of the merit system to the consular service. It expressly disclaims any advocacy of civil service pensions as a part of the merit system, which contemplates pensions no more than did the system of appointment and removal by favor; on the contrary, an assured tenure during efficiency should enable public servants, by exercise of frugality and forethought displayed by all prudent persons, to provide for the ordinary contingencies of age and infirmity.

The several papers that were read at the public meeting on Friday, December 17, were exhaustive and contained much important matter. The subjects and the writers can only be given here. "The Merit System in Municipal Reform," Dr. Albert Shaw, New York; "The Republican Party and Civil Service Reform," Hon. Henry Hitchcock, St. Louis; "The Democratic Party and Civil Service Reform," Hon. Moorfield Storey, Boston; "The



Legal Situation, the Right to Compete for Public Employment," Edwin Burnett Smith, Esq., Chicago; "Do the People Want Civil Service Reform?" Charles J. Bonaparte, Esq., Baltimore; "The Municipal Situation in Ohio," Hon. Rufus B. Smith, Cincinnati; "The Merit System in the Program of Municipal Reform," Horace E. Deming, Esq., of New York City.

Hon. Carl Schurz and Mr. George McAneny, of New York, were unanimously re-elected president and secretary of the League for the ensuing year, and Boston was selected as the next place of meeting.

The Women's Club entertained the delegates at luncheon Friday noon, and Friday night the visiting delegates were tendered a banquet by the Cincinnati Municipal Civil Service Reform Association, at which the Hon. Wm. H. Taft, Judge of the United States Circuit Court of Appeals, presided. There was a large attendance, and one of the features was the presence of delegates from the leading local labor organizations, one of whom responded to the toast, "Organized Labor and Civil Service Reform." It seems that the laboring men are awakening to the importance of the civil service reform movement and are enlisting themselves in its behalf.

The League will have at Washington, during the present session of congress, a committee which will watch all legislation that in any way tends to weaken the force of existing civil service law, and which will assist the friends of the law in congress to withstand hostile attacks.

In the language of President Schurz, "It seems that the rapid progress of the merit system has put its enemies in a desperate state of mind, and that seeing their case in deadly peril they have resolved to rally their whole force for a final effort. The hour has come for them to do or die." \* \* \* "Can our victory be doubtful? The enemy being desperate the struggle now before us may be bitter and arduous. Grant's Wilderness campaign of 1864 was the bloodiest of the civil war. But when it began the rebellion was in fact already broken and doomed. Whoever still fights for the spoils system sacrifices himself for a lost cause. The final victory cannot fail to be with sound democratic principles, reason and civilization."

MAX B. MAY.

*Cincinnati.*

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AMERICAN ECONOMIC ASSOCIATION.

The tenth annual meeting of the American Economic Association was held at Cleveland, Ohio, on December 29, 30 and 31, 1897.

The meeting was held in connection with the annual meeting of the American Historical Association.

On account of the absence of the president of the Association, Professor Henry C. Adams, in Europe, the usual presidential address was omitted. The first vice-president, Professor Franklin H. Giddings, of Columbia University, presided over the meetings and made a short introductory address of welcome at the first session.

This session was devoted to the discussion of the "Relation of the Gas Supply to the Municipality." Hon. Carroll D. Wright, of Washington, D. C. Commissioner of Labor, gave an account of the investigation which is now being made through the Department of Labor into the cost of producing gas throughout the country. He was followed by Hon. Elroy M. Avery, of Cleveland, who pointed out the difficulties which beset all investigations of this nature. Professor John Henry Gray, of the Northwestern University, of Evanston, Ill., read a carefully prepared paper which dealt with the work and experience of the State Board of Gas Commissioners of Massachusetts.

The evening meeting was held jointly with the American Historical Association, and the program was under the charge of that organization. The question considered was the "Opportunities for Advanced Studies of History and Economics" offered in the various countries of Europe. The discussion was conducted by Professors H. Morse Stephens, of Cornell University; Abbott, of the University of Michigan, and C. H. Hull, of Cornell University.

The session of Thursday morning, held jointly with the American Historical Association, was in special charge of the American Economic Association. The program consisted of a paper on the "Relation of Rate-Making to Taxation," presented by Professor Arthur T. Hadley, of Yale University and a discussion on the "Teaching of Economic History" which was conducted by Professors H. B. Gardiner, of Brown University; H. R. Seager, of the University of Pennsylvania, and G. W. Knight, of the Ohio State University.

At the afternoon session of the same day, Thursday, Professor Taussig presented a statement of some results of a recent inquiry into taxation in Massachusetts. This was followed by a discussion of the "Methods of Teaching Economics," conducted by Professors A. T. Hadley, of Yale University; R. Mayo-Smith, of Columbia University and F. M. Taylor, of the University of Michigan.

The session of Friday morning was devoted to a discussion of the proposals for the reform of the currency. The leading speakers

were Professor F. W. Taussig, of Harvard University, and Mr. Horace White, of New York. General A. J. Warner, of Ohio, the well-known advocate of silver, made an interesting contribution to the discussion which followed.

Ample provision was made by the hospitable people of Cleveland for the entertainment of their visitors, and the social incidents which form so important a part of these gatherings were particularly pleasant.

At the meeting of the council it was decided, after much discussion, to revive from time to time, as occasion might seem to establish, standing committees for the discussion of special questions and the presentation of reports to the Association. This revives, after a fashion, the standing committees which were instituted at the origin of the Association, but which had ceased to exist.

The officers elected for the ensuing year are as follows: President, Professor Arthur T. Hadley, Yale University; vice-presidents, Professors H. B. Gardiner, Brown University, John H. Gray, Northwestern University, and Winthrop M. Daniels, Princeton University; secretary, Professor Walter F. Willcox, Cornell University; treasurer, Professor Charles H. Hull, Cornell University.

## NOTES ON MUNICIPAL GOVERNMENT

### AMERICAN CITIES.

**New York City.—*Rapid Transit.*** The recent decision of the Appellate Division of the Supreme Court of New York is a severe blow to the rapid transit projects of the commissioners appointed under the Rapid Transit Act of 1891. The act provided for the appointment of a commission to consist of eight members in every city having one million inhabitants. This board was given power to fill any vacancies that might occur. It was made the duty of the board to determine the advisability of constructing a rapid transit system. If the board should come to an affirmative conclusion, it is given power to determine the route and the general plan of construction. A copy of these plans must be transmitted to the common council, and approved by the latter by a two-thirds vote, and also by the mayor. After obtaining the approval of the local authorities, the board is required to obtain the consent of the property owners along the line of the route. If such consent cannot be obtained, the board may make application to the general term of the Supreme Court for the appointment of three commissioners to determine and report, after due hearing, whether such railway ought to be constructed. A favorable report of the commissioners, if approved by the Supreme Court, may be taken in lieu of the consent of the property owners. Acting under its authority, the commission first attempted, in 1891, to obtain from the existing elevated railway companies the extensions and other facilities necessary to secure rapid transit. The companies refused to comply with the requirements of the commission in making such extensions. In November, 1894, the people of the city voted for the municipal construction of a rapid transit system. The act of 1891 was amended in 1895, giving to the commission additional power. The commission immediately prepared plans for an underground railroad; secured the approval of the local authorities and of the commission appointed by the Appellate Division of the Supreme Court. In May, 1896, however, the Appellate Division refused to confirm the report of the commission. The objection of the court was based mainly upon the uncertainty of the amount requisite for the construction of the road. Furthermore, the loan necessary for the construction of the subway would

probably have carried the city beyond the constitutional limits of its borrowing power. Early in 1897, the commission prepared a second plan which was approved by the local authorities. In July of that year another commission was appointed by the Supreme Court which, in October of last year, unanimously approved the plan.

In a decision just handed down, the court approves of the report of the commissioners, but prescribes such additional conditions as to make the execution of the work practically impossible. Section 34 of the Rapid Transit Act requires that the individual or corporation constructing the road for the city should file a penalty bond with sureties, to double the amount of the bond. The court requires that this bond be fixed at not less than \$15,000,000, which would mean providing for joint and several sureties to the amount of \$30,000,000. Furthermore, the court requires that the bond of \$15,000,000 be provided for a period of fifty years; in other words, not only for the period of construction, but also for the period of lease of the operating company.

A committee of the commission, in a report issued on January 13, 1898, criticises the decision of the court, maintaining that the Rapid Transit Act does not contemplate a bond beyond the period of construction. "If a bond for \$15,000,000 to continue for fifty years were required," says the committee, "the obligation of the contractor by way of security would be, first, to deposit the \$1,000,000; second, to advance, from time to time, the cost of construction until he was repaid by the city; third, to submit to the withholding of percentages until complete construction and equipment; fourth, to provide for the first lien to the city on an equipment worth between \$6,000,000 and \$10,000,000; and, fifth, to provide sureties to the extent of thirty million dollars for a period of fifty years." The contractor must then return to the city, in rental, its expenditure for construction with the interest thereon and at the end of the lease absolutely surrender the railway to the city. "The city, no doubt, ought to make such a bargain if such a bargain be possible; but, in the opinion of your committee, it is, under municipal and business conditions now existing or in prospect, obviously and absolutely impossible. If there be a contractor who can meet these requirements, he would find it far more to his advantage to build the railroad himself, assuming all its risks and enjoying its ownership." In conclusion, the committee states that the maximum amount of security that can be exacted from the contractor at the present time would be "a cash deposit of \$1,000,000; a retention of not less than 10 per cent of the cost of the work until completion; several bonds to secure construction



and equipment, amounting in all to not more than \$7,500,000, or 25 per cent of the cost of construction, and a continuing bond for such an amount as, with the city's lien on equipment, would be equal to seven years' rental."

The indications at the present time are that the Supreme Court will refuse to recede from its position, in which case the prospect for the construction of an underground railway is very slight indeed. The probabilities are that the commission will be compelled to invite existing elevated railway companies to submit plans for the extension and improvement of the present system.

*Street Cleaning.* The Commissioner of Street Cleaning, Mr. George E. Waring, Jr., has just presented a final report of the operations of the Department of Street Cleaning during the three years of the administration of Mayor Strong. The report gives evidence of the great progress that has been made in the administration of this department, in the efficiency of the service, and in everything that pertains to the utilization and effective disposal of refuse material. While the cost of the department to the city has materially increased, the increase has been largely due to the improvement in the plant and in repairs to the equipment made necessary by the failure of the preceding administration to keep the plant in good order. One of the most striking results has been the utilization of waste products. Of the 800,000 loads of domestic ashes per annum, equal to 1,200,000 cubic yards, 20 per cent represents unused coal easily recoverable. This means some 144,000 tons, for which the city receives something like \$360,000, and other products, such as fine ash, clinker, etc., would yield a little over \$300,000, although the latter has not as yet been so utilized.

In the other branches of the Street Cleaning Department similar advances, have been made. The method of unloading garbage on tide-waters has been abandoned, resulting in far greater cleanliness as well as improved sanitary conditions in many of the coast resorts of Long Island. The report contains a great number of cuts, illustrating the different processes and changes adopted by the department.

*Chicago.—Civil Service Decision.* The recent decision of the Supreme Court of Illinois on the constitutionality of the Civil Service Law of March 28, 1895, has given a strong impetus to the reform movement in that city. The law provides that officials whose appointments are subject to the confirmation of the city council and the heads of any principal departments of the city, are to be exempt from the provision of the law. With the new city administration, which came into office last year, the interpretation

placed upon such clauses was such as practically to nullify the provision of the act. The provision in question was so interpreted as to give power to the common council to increase, by ordinance, the number of officers to be appointed by the mayor, subject to the confirmation of the city council, and thus to increase the number of exemptions under Section 11 of the act. Acting under this supposed power, councils proceeded to exempt the assistant superintendent, the inspectors and captains of police from the classified service. It is this action which the court declares to be illegal, and adds that all ordinances exempting departmental subordinates from the classified service are illegal. All positions which are of a lower grade than the chiefs or heads of those departments must be placed in the classified service; with this qualification "that wherever, at the time the Civil Service Act was passed, an office, or place of employment was one, the appointment to which was to be made by the mayor, subject to the confirmation of the city council, it is within the exception named in Section 11, and is excluded from the classified service."

The effect of this decision will be to prevent further violations of the spirit of Civil Service Law.

**Pennsylvania.**—*Street Railways.* The report of the Bureau of Railways, which has just been published, gives some interesting information as to the development of the street railway system in Pennsylvania. During the year ending June 30, 1897, the total amount of outstanding capital stock of street railway companies was \$143,489,309; the amount of indebtedness, \$28,812,430; the amount of current liabilities, \$84,266,976, representing a total capitalization of \$220,568,715. Of this total, the street railway corporations themselves own \$52,314,349. Major Brown, the Chief of the Bureau, comments at length upon the fact that the comparison of figures for different years is sure to be misleading, as the increase in capitalization does not represent a corresponding growth of the street railway system, owing to process of lease, merger and consolidation. There is a constant tendency to the inflation of capitalization. "While there have not been many consolidations or mergers in law, yet practically there have been a large number of cases where traction companies, as authorized by law, have leased lines of other street railway corporations upon a nominal rental. The stock, or a larger portion of the stock of a leased company, is assigned to the traction company by stockholders, taking in lieu thereof stock of the new company. This is practically a consolidation, as the stock so held by the traction company of the leased line or lines is of no great value, in most

cases there being little or nothing paid in the way of dividend or for rentals. There are, of course, exceptions to this view of the case, but if a fair appraisement could be made of the cash value of the \$52,314,349 of the stocks and bonds owned by the street railway companies it would be found that the figures would be very much reduced." The great advance of the total capitalization during the last six or eight years is largely due to the fact that, when a traction company takes charge of lines by lease, merger or consolidation, the capitalization of the traction company is made usually two or three times as great as are the combined capital of the companies leased, merged or consolidated.

The report dwells upon the decline of street railway traffic, due to the extended use of the bicycle. An inquiry conducted in Harrisburg led to the following interesting results. Between the hours of seven in the morning and six in the evening, it was found that of a total of 6078 persons passing a given point in the cars or on bicycles, 4161, or 67.7 per cent used the latter method of conveyance, and but 32.3 per cent the former. That this means a serious inroad upon the receipts of the company requires little demonstration.

**Boston.**—*Street Railway Lines.* An excellent instance of the value of public control over corporations enjoying public franchises is seen in the recent action of the Massachusetts Board of Railway Commissioners in withholding their approval from a proposed lease of the franchise and property of the West End Street Railway Company to the Boston Elevated Railway Company until the parties thereto had complied with the conditions prescribed by the board. Under an act of 1894, as amended in 1897, the Boston Elevated Railway Company was empowered to enter into a lease or contract for the operation of the West End Street Railway Company. One clause of the act provided that, "No such lease or operating contract shall be valid until the terms thereto, so far as they relate to the rental or compensation to be paid, and to the due and safe transportation of the public, have been approved by the Board of Railway Commissioners."

According to the terms of the lease, the Boston Elevated agreed to pay for the property and franchises of the West End Company all expenses, interest, taxes and charges of every kind, and an annual sum of \$7500 for the maintenance of the corporate organization of the West End Company, and also to pay on each and all of the charges of the preferred and common stock of the West End Company, now outstanding or hereafter issued, a cash dividend of 8 per cent free of all taxes, in each and every year during the term

of ninety-nine years from October 1, 1897. After a careful appraisal of the property of the West End Company and its probable earning capacity, the commissioners are led to the conclusion that this is not a reasonable rental charge. They clearly see to what an extent a lease of this kind would hamper the legislature and municipal council in dealing with the rapid transit problem in Boston. In permitting a lease of this character to go into effect, the city would be deprived of a share in the increasing profits of the street railway traffic. As the commissioners say, this rental "must be paid in full before more than the minimum percentage of compensation tax could accrue to the city or town. Whatever the future accepted rate of return, hitherto tending downward, on capital invested in public service corporations, or at whatever rate, under private or public ownership or control, fresh capital might be forthcoming, the rate here fixed would run on until the end of the lease without diminution or power of revision."

The commissioners furthermore objected to the long rental period of ninety-nine years. In accordance with the suggestions of the commission, the terms of the lease were modified by reducing the stipulated rental on the West End Company stock from 8 to 7 per cent, and by shortening the term of the lease from ninety-nine years to twenty-four years eight months and nine days. In this way the terms of the contract are such as to safeguard the interests of the public, while at the same time preventing inflated capitalization of the leasing company which the original lease would have made necessary.

*Report of Rapid Transit Commission.* The third annual report of the Boston Rapid Transit Commission for the year ending August 15, 1897, indicates that the original plan of underground transit has nearly reached completion. With the termination of this work, however, the duties of the commission will by no means be ended, as recent enactments of the Massachusetts Legislature have placed in its charge a number of additional plans for the extension of the system, the completion of which will probably cover several years. The portion of the subway system now completed will relieve the congestion of traffic in the central districts of Boston. The expense of construction will practically be borne by the railway company leasing the subway, although the original outlay was made by the city. The agreement which has been entered into with the West End Railway Company, the lessee of the subway, gives to that company the use of the subway for a period of twenty years. This right it may sublet to any other corporation or corporations, or may assign all its rights and privileges. In return for this grant the company binds itself: First, to pay a sum equal to 4½ per

cent of \$7,000,000, or  $4\frac{1}{2}$  per cent of the net cost of the subway if such cost shall be less than \$7,000,000. In no case, however, is the payment to be less than a sum "calculated by charging a toll of five cents for each passage through the subway of a car not exceeding twenty-five feet in length, and a proportionately greater charge for cars of greater length;" second, the company is required to equip the subway with tracks, wires, appliances, fixtures, machinery, furniture and apparatus; third, suitably, adequately and to the satisfaction of the commission, to light the subway, and the cars running therein, by electricity or such other non-explosive illuminant as may be approved by the commission; fourth, to maintain the subway in good condition and to make all repairs necessary therefor at its sole cost and expense; fifth, the power to be used for the operation of the railway within the subway and all of the apparatus placed therein, is limited to electricity, compressed air, or some agent, the use of which will not be accompanied by smoke, steam, or noxious products; the use of steam or animals within the subway as a motive power, except temporarily in cases of emergency, being prohibited; sixth, advertising within the subway, on the walls or otherwise, is prohibited. The company is permitted, however, to place and maintain booths of suitable size and character upon each platform for the sale of newspapers, magazines, periodicals and books; seventh, the city reserves the right to place in the subway such wire and apparatus as may be necessary for its police and fire-alarm service. The company is given power to grant to any person or corporation, authorized by law, the right to use and maintain for purposes other than railway business, the wires, conduits for wires, and pneumatic tubes within the subway.

It will readily be seen from an examination of the terms of this contract that the interests of the public are carefully safeguarded. The short duration of the lease, viz: twenty years will enable the city to make new and better terms with the company at the expiration of the contract. By that time the payments of the company will have been sufficient to meet the annual interest and sinking fund requirements of the bonds that have been issued for the construction of the subway.

*Consolidation of Gas Companies.* During the last few years the process of consolidation of private corporations performing quasi-public service has proceeded at such a rate that at the present time the principle of natural monopoly has fully asserted itself in most of our large cities. One of the recent steps in this direction has been the consolidation of the gas companies of Boston through purchase by the New England Gas and Coke Company. The price:



paid by the latter company was \$14,000,000. This represents, however, but a part of the actual capitalization, as many of the stockholders of companies thus purchased have received stock in the New England Company in exchange for that of the original company.

*Mayor's Address.\** Hon. Josiah Quincy was re-elected Mayor of Boston in December and delivered his inaugural on Monday, January 3. The address included a detailed review of the year's municipal activities, and contained some novel recommendations looking towards improved methods of government. He expresses a strong belief in the desirability and practicability of doing away with nominating conventions for all city offices; the regulation of the caucus, and its consequent development into a primary election, having progressed far enough to make it possible to abolish the political convention altogether, and to make municipal nominations come direct from the party voters. The next step in electoral reform would logically be to give the voter, in his party caucus, the right to designate directly, instead of indirectly, his choice for the party nomination. The average results would be better and safer, more representative of the popular will, and less subject to the intrigues of ward politicians. He favored the adoption of the New York City charter clause that provides that every ex-mayor, so long as he remained a resident of the city, should be entitled to a seat in the city council, and to participate in its discussions, but not entitled to a vote. With a view to further strengthening the city council and bringing it into closer touch with the great interests of the city, a similar right should be conferred upon a representative from each of two important organizations, one representing capital and the other labor, and each constituted upon the federation plan. One of these is the Associated Board of Trade, the other the Central Labor Union.

The mayor recommends the establishment by ordinance of a Public Baths Department, to be managed by a commission of seven unpaid members, of whom at least two should be women. The proposed ordinance provides for full terms of five years, and gives the commission full charge of all public baths and public convenience stations. These functions are at present in the hands of the Board of Health.

In place of the existing Art Commission the mayor recommends the establishment of an art department to consist of five members—one each to be named by the trustees of the Museum of Fine Arts, the Boston Society of Architects, and the Boston Art Club—the other

\* Communication of Sylvester Baxter, Esq.

two to be appointed by the mayor, and to be either an architect, a sculptor or a painter; each member to be appointed for five years. This board would have the same functions as the present Art Commission, and also award commissions for works of art for which city appropriations are made or which are otherwise under control of the city.

*Merchants' Municipal Committee.* The Merchants' Municipal Committee, to serve as an advisory body for the mayor, which became a feature of the administration at the beginning of Mayor Quincy's term two years ago, consisted of seven members appointed by each of several representative mercantile associations. The mayor has now changed its basis by delegating to the Associated Board of Trade, representing all the mercantile bodies, the appointment of the seven members.

*A Municipal Newspaper.* In accordance with an intention announced in the mayor's inaugural, a municipal newspaper was established with the beginning of the year. It is called the *City Record*, and is the official gazette of the executive departments of the city. It is the second newspaper of the kind in this country, the city of New York having maintained a similar publication for over twenty years. Such municipal publications are not uncommon in Europe. The mayor holds that, in view of the successful operation of the municipal printing plant, it seems particularly appropriate that Boston being equipped to issue such publication without making any contract therefor, should adopt this policy. The *City Record* is issued weekly, at an estimated cost of not over \$5000 a year. The paper is edited under the direction of the Board of Municipal Statistics, Dr. Edward M. Hartwell, the secretary of the board, being practically the editor. The city departments are supplied with the paper free, and citizens may obtain it at five cents a copy, or by subscription at \$2 a year. One of the mayor's reasons for establishing the paper is to throw the fullest light of publicity upon all executive actions as a basis for proper public criticism. The mayor urges that the publication be provided for by ordinance, making it the official gazette of the entire city. The verbatim proceedings of the city council are now published by contract in one of the daily newspapers, and it would save considerable expense to have this publication take place in the *City Record*. The cost of the *City Record* is borne proportionately by the various departments. Advertisements of the departments and other legal notices are printed at 12½ cents a line. The departments furnish for publication each week reports of all meetings of boards, all formal action taken by heads of departments, a full copy of every

advertisement issued and a summary of all proposals received in response to the same, a statement of all awards of contracts, and such current statistical matter relative to department operations as appears suitable for regular or occasional publication. The plan of the paper includes a record of all executive activities, such as messages from the mayor; orders, ordinances or votes approved or gone into effect without approval; notices of all public hearings; a summary or full text of important bills affecting the city, pending in the legislature, and the full text of all laws passed affecting the city; official actions of the school committee; vital and social statistics from the Board of Municipal Statistics, including official information of the operations of other cities in this country or abroad; special communications to the mayor from heads of departments and information for the public from the departments; a record of lawsuits affecting the city, and of the settlement of claims against the city; an outline of principal features of the city finances; illustrations of work proposed or executed by any department as may be desirable to give a clear idea of the same; activities of the Civil Service Commission concerning the city; official information concerning the several metropolitan commissions; and actions taken, or reports made, affecting the city, by state commissions and officers. The *City Record*, in the few numbers already published, proves exceedingly interesting to all students of municipal affairs.

*School Board Reform.* A scheme for a radical reform in the constitution of the school board has been agreed upon by a number of persons having the welfare of the schools at heart, and will be urged upon the present legislature. It provides for a complete separation of the legislative and executive functions, whose combination in one body makes the existing school board so inefficient. Under the new plan there would be a school board of twelve members, nine of whom are to be elected by the voters, three being chosen each year. The other three members are to be appointed by the mayor, one each year. The annual appropriation for school purposes, including construction of schoolhouses, would be made by the board, but kept within a fixed limit determined upon a percentage of taxable valuation. All executive work would be performed by the superintendent of schools and his staff; all business, including purchase of supplies, by a business agent. Boards of visitors are provided for—one of twelve members, for the schools in general, and a local board, of three members, for each school district. A novel feature is a "school faculty" composed of a certain number of teachers, to meet at regular intervals for

discussion of matters affecting the schools, and report to the school committee.

*Franchise for Refrigeration Conduits.* A franchise has been given to the Eastern Cold Storage Company to lay, in certain streets, conduits and pipes for refrigeration purposes, the company to pay to the city for each of the first three years after the laying of its pipes, one per cent of the gross receipts from customers supplied with refrigeration from such pipes, and thereafter two per cent of the gross receipts.

*Repair Division.* The municipal policy of direct purchase of materials and the direct employment of labor, under competent technical supervision and executive direction, that was successfully put in practice by the Electrical Construction Division of the Public Buildings Department has received further application in the establishment of the Repair Division of the same department. In establishing this division the mayor holds that with a small permanent force, to be increased whenever special work may require, it will be possible to execute all repairing at a saving of expense and at the same time guaranteeing a better quality of work. It might even prove desirable to have such a force do some special portions of the work on new buildings, or even wholly to construct small buildings. The mayor sees very considerable practical advantages in having a permanent staff, familiar with all of the work of the city instead of distributing such work among a large number of contractors, not all of whom are likely to do good work. In certain other departments, such as the Bridge Division, the city already does its own carpentering and painting upon a considerable scale. The Repair Division will do carpentering, plumbing, painting, etc. The Architectural Division has general supervision over the Repair Division. The mechanics employed are obtained from the civil service commission by requisition. The wages and hours of work are those fixed by the unions for first class workmen. The mechanics are not permanently employed, and they continue on the pay-roll only while there is work for them. The mayor holds that the city should be able not only to save the profit upon materials now charged by contractors, but to purchase in sufficient quantities to obtain lower prices than small contractors, can secure. Friends of the direct employment of labor on public works see in this innovation the germ of a regular works, or construction department, that eventually will do all building for the city.

*San Francisco.—Charter.* After several unsuccessful attempts to avail itself of the home rule provisions of the constitution of California, San Francisco is about to make another effort in this

direction. The constitution provides that in all cities with a population of 10,000 or over, the inhabitants may frame their own charter by electing a board of fifteen freeholders to draft the same, which draft must be submitted to the people at a special election. Previous charters framed in this way have been rejected in San Francisco owing to the fact that the political party in power has always seen reason to oppose them. Some time ago the mayor of San Francisco appointed a Committee of One Hundred to consider the question of a new charter for the city. After many months of careful and serious consideration this committee finally agreed upon the outline of such a charter. This charter convention nominated fifteen freeholders as candidates for the charter board provided for by the constitution. At a recent election the fifteen candidates of the Committee of One Hundred were elected, thus assuring the incorporation of the ideas of the Committee of One Hundred in the proposed new charter. It remains to be seen, however, whether the fate of this charter will be the same as that of its predecessors.

## FOREIGN CITIES.

**Birmingham.**—*Public Baths.* The superintendent and engineer of the Birmingham Public Baths have recently issued an exhaustive report on the development of the system in that city. Since the beginning of the movement for the establishment of permanent public baths in England in 1851, the city has constructed four large enclosed establishments and two open-air baths. The total cost has been about a half million of dollars. During the fiscal year, ending March, 1897, 401,745 persons made use of the facilities offered. The total receipts for the same period were \$30,482; the total expenditure, including interest and sinking fund on the loans for the construction of the baths, amounted to little over \$47,000, leaving a deficit of \$16,518. The rather high excess of expenditures over receipts has been due to several causes. In the first place, the price of first and second-class baths has been kept at a low figure; the former costing 6*d.*, the latter 3*d.*, with reductions for commutation or club tickets, as will be seen from the following table:

## FIRST-CLASS DEPARTMENTS.

Swimming or Private Teaching Baths, Single Tickets, with Two Towels, . . .	\$ .12
Books of 10 Tickets (for Swimming Bath only), . . . . .	1.12
Books of 20 Tickets, . . . . .	2.00
Half-yearly Tickets, January to June, . . . . .	2.62
Half-yearly Tickets, July to December, . . . . .	2.62



## SECOND-CLASS DEPARTMENTS.

Swimming Bath, with a Private Dressing Room (with One Towel), . . . . .	\$ .09
Swimming Bath, without a Private Dressing Room, . . . . .	.04
For Use of Extra Towel, . . . . .	.02
Hire of Bathing Drawers, . . . . .	.02

Furthermore, the department of education of the city has, at stated intervals, sent the pupils in the public schools to the different bathing establishments. For school children the department of baths has been allowed about one cent per bath.

The extension of the system of public baths is illustrated in the following table:

Date. Years ending December 31.	Number of Men.	Number of Women.	Number of Children.	Total number of all Bathers.	Receipts from Bath-ers, etc.	Amount of Working Expenditures, ex-clusive of Interest and Sinking Fund, but including Of-ice and Adminis-trative Expendi-ture.
1851 . . . . .	73,631	5,084	. . . .	78,715	\$ 5,267.04	\$ 1,361.41
1860 . . . . .	95,625	4,931	. . . .	100,556	8,881.22	9,294.08
1870 . . . . .	167,111	8,960	2,317	178,388	14,539.75	15,310.89
1880 . . . . .	258,682	13,685	36,860	309,227	22,044.14	20,497.81
*1891 . . . . .	288,510	18,464	38,019	344,993	26,886.85	33,540.18
1895 . . . . .	257,199	19,374	42,291	318,864	25,065.33	34,336.97
1897 . . . . .	329,485	22,786	49,474	401,745	30,481.85	34,737.66
Total for the en-tire period 1851-1897. . . . .	9,622,293	581,008	893,587	11,096,888	860,688.68	\$960,031.08

In many of the larger cities of England the growth of public bathing establishments has been even more rapid than in Birmingham. Thus, Manchester has at present eight large establishments and one free open-air bath; Liverpool, seven and one free open-air bath; Newcastle-upon-Tyne, six; Glasgow, five; Salford, four; Bristol, three; and the other towns have from one to three establish-ments.

**Grenoble.**—*Municipal Restaurant.* The Department of Labor in a recent "Bulletin" publishes an interesting account of a municipal restaurant in the city of Grenoble, France. For a period of over forty-five years this institution has been in existence, each year increasing its usefulness to the community. Its greatest service has been to furnish cheap and wholesome food at low prices to the working-classes. On an average, nearly 1300 meals are served each

\*Change of fiscal year to March 31, instead of December 31.

day, which does not include the food furnished the public and private schools. The prices range somewhat as follows:

Soup, one quart, . . . . .	2 cents
Meat or Fish, 4½ ozs., . . . . .	4 "
Plate of Vegetables, . . . . .	2 "
Wine, one-half pint, . . . . .	2 "
Bread, 4½ ozs., . . . . .	1 "
Dessert, . . . . .	2 "

In addition to this service, the restaurant is used by a large number of private families. The administration has arranged to have the food prepared at the restaurant served at private houses.

## SOCIOLOGICAL NOTES.

**The Winona (Minn.) Social Science Club.\***—The organization of clubs for the study of society gives occasion for some remarks upon their significance and possibilities. The local social science club in some form is being called into existence by a general demand, natural and inevitable, for greater knowledge concerning social growth, structure, and function. (The word social is here used in its largest sense.) It is not enough that the universities and colleges shall be centres for the study of these things. All the people must get a better and clearer understanding of them. The local social science club is one of the best means by which such understanding can be promoted among large numbers of people, and such clubs become local centers for the further propagation of social intelligence. This study of society when properly pursued stimulates a greater interest in local institutions and public welfare. It reveals the reality of social forces, and the vital significance of the relations existing between the manifold variety of social activities. It is an essential addition to the educational influences already at work to make men better fitted to live in the ever-enlarging social life, and do efficiently the duties of citizens. It can be made the common ground for all classes, sects, and parties of citizens who seek to promote legitimate public interests and the most desirable public sentiment. There is no better subject for the encouragement of adult education; and no phase of our public education needs supplementing more sadly than the socio-civic. It is by far the best of all subjects for showing the unity and relations of all other subjects, and their bearing upon man's life. Such work will contribute to a more comprehensive outlook upon state and national institutions, and the gigantic economic enterprises of our land. Thus it will do something toward removing the mystery that attaches to unknown forces, or those but meagrely understood. These local clubs, when the membership includes some who have had training in scientific methods, might become important auxiliaries to the university in gathering sociological data for scientific purposes.

But the limits of this note will not permit a further consideration of the general aspects of the topic. The following account of the

\* Contributed by Professor Manfred J. Holmes, Normal, Ill. Winona, Minn., had 18,208 inhabitants according to the United States census of 1890.—ED.

first year's work at Winona will be given under four heads: (1) Its organization; (2) its personnel; (3) its program; (4) what it accomplished.

In the winter of 1896 Professor Zueblin delivered in Winona a course of lectures on Social Reform in Fiction, which aroused quite a general and deep interest in social studies. This opportunity was seized upon by some of the citizens to organize a social science club. Its constitution was very simple—an executive committee of five members, the chairman of which was president of the club; a committee on original studies, and one on current bibliography; also a secretary-treasurer. Meetings were held bi-weekly from October to May. A year's work was laid out in advance; but the work of the committees on original study and current bibliography gave ample flexibility and freedom for introducing current topics at any time it seemed best.

From the personnel of the club it was seen that some general acquaintance with the nature of the subject-matter and the method of study were some of the first needs. Also, that there would have to be a season for unification of spirit and purpose. The importance of this is obvious when it is known that, though the membership was purely voluntary, an invitation being extended to all, it was the aim to get together representatives of as many different economic classes, political parties, religious sects, and nationalities as possible—here to meet on common ground, not to represent the various parties, sects, and classes, but as fellow-members of one community to consider things of common interest. In this the club was not a disappointment, for it is surprising what a variety of people, as to wealth, religion, politics and economic status, found themselves appropriately brought together in recognition of most important relations and common ties. The business classes were well represented, but no merchants, day laborers or preachers, with one exception, came in. A special effort was to be made this year to remedy this defect. Nine universities and colleges were represented. This was significant in its suggestion that the college graduate is coming to find his place in the common life of his community; also, that the higher institutions of learning are touching the people more and more in a generally useful way. The central theme decided upon was the view of the general field of social phenomena given in Small and Vincent's "Introduction to the Study of Society." To give the work reality and concreteness original studies and themes were introduced. Of the original studies we might mention (1) the early history of the community, (2) a social analysis of the local institutions, (3) difference in opportunity to satisfy the wants

of man as observed in Winona, etc. The studies of general interest were reported in the local papers with a view to extending as much as possible the local thought upon these subjects. Two studies of special interest had to be carried over into the second year. One was the study of leisure to get a glimpse of the disposition of time and energy not consumed by economic activity, nor regular duties. This study pursued on a large scale would no doubt reveal some significant tendencies. The other arose out of the economic conditions likely to be found in a river lumbering town. The economic enterprises of Winona are not very varied, the lumber business being the chief one. A considerable proportion of the laboring population is dependent upon the labor furnished by the saw mills, which run about six or seven months of the year, leaving a considerable proportion of the mill hands to find a precarious support during the remaining months. The problem was (1) what is the economic status of that portion of the population thus affected by the regular suspension of their regular means of support; (2) what, in view of the rapid exhaustion of the lumber forests of the upper Mississippi, will probably be the economic readjustment of this population? Will it be a menace to the community in the shape of pauperism and criminal proclivities, or will an increase in the number and variety of industries relieve the situation? Of the special themes there were reviews of books and articles bearing on some phase of the year's study. For the sake of giving greater definiteness and suggestion of unity in the work a syllabus was printed showing the course and scope of the year's work; and in this syllabus the special themes and original studies were revealed in their proper relation to the larger subject. No small amount of care and firmness on the part of the officers had to be exercised in establishing the idea that a social science club is not a civic federation, nor a law and order league. Certainly, the social science club should make for more efficient service and life in promoting the most favorable conditions of government and society. This, indeed, is the fundamental and ultimate purpose of such study. But a club for the study of society will be deprived of most of its opportunity for usefulness when it abandons its legitimate business to be the target and imaginary enemy of considerable numbers in the community. It is truly a school for adult education, and should retain its character as such.

What was accomplished? is the legitimate question of the man of science and the man of affairs. It was largely a year of preparation, formation and unification. It gave some rich suggestions as to what could be done in this line; and the club was ready for



a second year of more energetic activity and profitable work. The writer's convictions and opinions embodied in these notes are all confirmed by what he saw necessary and possible in the line of social training and study while associated with the work at Winona.

Attention should here be called to the fact that the universities in their extension work have a rare opportunity for the encouragement and direction of the study of society in the various communities touched by their work.

**Public Charities of New York City.**—The State Charities Aid Association of New York is generally recognized as one of the strongest private organizations in the country, exerting an influence commensurate only with that of the State Board of Charities in pointing out the needs and abuses in connection with the public charities of the state. This association works in harmony with the New York State Board of Charities, and to some extent supplements its efforts. One of its departments is the so-called New York County Visiting Committee, which deals with the public charities of New York City. The twenty-fifth annual report of the visiting committee covers the several public hospitals in the city, the training school for nurses at the Bellevue Hospital, the almshouses for men and women, the city lodging-houses, and other public institutions. This is the first report that covers the operations of an entire year of the Department of Public Charities as now constituted.

Since January 1, 1896, the correctional institutions of New York City, including the penitentiary, workhouses, city prison and district prisons, have been organized as a Department of Correction, and since February 28, 1896, the New York City asylums for the insane have been transferred to the state and reorganized as the Manhattan State Hospital. This still leaves a considerable number of public institutions belonging to the Department of Public Charities.

The report speaks in the most encouraging terms of the improvement in the hospitals in the matter of nursing. With reference to the almshouses the general complaint of overcrowding has been provided for by the erection of several new model buildings. The census of the almshouses on October 1, 1897, shows, however, an increase in the number of inmates of very nearly one hundred. The great gain in the administration of the almshouses to which the visitors call attention consists in the elimination of unpaid helpers. Formerly, persons from the prison department were used as helpers, much to the detriment of the inmates and to the moral deterioration of the whole institution. Attention was called during

the year to some irregularities in the management of the steward. The charges reported by the committee to the Commissioners of Charities for consideration were dismissed practically without investigation; but the facts were then laid before the mayor, and since that date the office of the steward of almshouses has been abolished. The committee still finds reason to criticise the quality of the food provided, particularly in the almshouse hospitals.

In the concluding pages of the report a few comparative statements are made in this, the twenty-fifth annual report, with those contained in the first annual report published February 1, 1873, which seem to indicate that very substantial progress has been made in dealing with the problem, of the almshouse, which is perhaps one of the most difficult questions in the administration of public charities.

**College, Social and University Settlements.**—The eighth annual report of the College Settlements' Association\* gives an account of the activities of the Women's Settlements in Boston, New York and Philadelphia. This pamphlet contains a separate statement relating to each of these three settlements, together with some account of the efforts of the association which encourages, guides, and, to some extent, controls this work. There seems to be no abatement in numerous kinds of efforts put forth in the clubs and societies organized within each of these settlements to provide for the healthy amusement and education of the special classes of nationalities represented in their respective districts.

"A Bibliography of College, Social and University Settlements," compiled by Mr. John Palmer Gavit, the editor of the *Commons*, has been prepared for the College Settlements' Association. It comprises a pamphlet of 74 pages, published from the same press as the eighth annual report, already alluded to, and contains as a frontispiece a wood-cut of Arnold Toynbee. It is issued as a third revised and enlarged edition of the bibliography which has been published for several years by this association and whose usefulness has been very generally recognized. The new edition, however, contains several new features. In the first place, the editor announces it as his purpose to furnish a complete volume to serve as a handbook and directory of the college settlements of the world. It gives a brief description of each settlement, arranged alphabetically as to cities in which the settlements are located, beginning with American settlements, and following with those in Great Britain and finally those in Asia and Africa. The description of each settlement is sufficient to indicate the character of its work, and includes references to other sources of information

\* Pp. 44. Cambridge: Co-operative Press, 1897.

describing that work. Miss Susan G. Walker contributes a brief statement concerning the organization of the College Settlements' Association, and the editor furnishes an introductory chapter on social settlements. He says that underlying the settlement movement "a condition and a source of the main impulse is the new sense of the absolute unity of the race. The philanthropic pity for misfortune, the charitable desire to administer out of plenty to want, is often, perhaps usually, the impulse that draws the individual towards the 'slum;' but the conviction which grows to be the lasting inspiration of the settlement movement is the sense of unity of interest. The settlement is a great modern protest against the heresy that wealth makes character; that education can establish an aristocracy; that one can rise to a social pinnacle without obligation to those that have contributed to that rise; that men are by nature divided into classes by virtue of what they 'do' and 'have,' rather than of what they 'are.' Settlement life unites in simple social intercourse men of varied training and thought, permits them to share one another's knowledge, culture and vigor, and inspires them to use the greater power thus acquired in concerted efforts for the welfare of the community." Again, the editor defines a social settlement as "a person or group of persons (whether an actual family or not) desiring for mutual benefit to share their lives and culture with their fellow-men, taking up their residence somewhere—anywhere—in the impulse to express this desire and make their home a social centre for the community."

In addition to a brief statement concerning each settlement referred to, and a good index to this material, the pamphlet in hand contains a selected bibliography of books and periodical literature relating to settlements, and is, therefore, a useful source of information to the students of all phases of this movement.

The fourth annual report of the Kingsley House Association, Pittsburg, situated at 1709 Penn avenue, covering work for the year ending June 16, 1897, contains a brief account of the work done in that community. Although this settlement is composed of women workers, it is not under the jurisdiction of the College Settlements' Association. The report states that in no city of the United States is there the same demand for trained workers and skilled mechanics as in Pittsburg, and the report shows, furthermore, that some attempt has been made along the line of industrial training to render help in those directions.

**The Liquor Traffic in New York.**—The second annual report of the State Commissioner of Excise of the State of New York for the year ending September 30, 1897, was transmitted to the

legislature on January 17, 1898. The report in full has not yet been published, but the advance sheets of its important sections contain many items of general interest. The commissioner reports, in the first place, that the law works more smoothly, so far as its administration is concerned, since the people have become more familiar with its provisions, and those engaged in the liquor traffic, as well as the consumers of intoxicants, have adjusted themselves more fully to its conditions. The total receipts from the sale of liquor tax certificates and from transfers and fines for the fiscal year ending September 30, 1897, amounted to \$12,267,012.59. Deducting from this amount the county treasurers' fees there was a balance of \$12,205,524.28, of which the state received one-third and the towns and cities two-thirds. During the year 30,887 liquor tax certificates of all kinds were issued, and 27,953 remained in force on October 1, 1897. Comparing this with the period of twelve months prior to the enforcement of the new law, it shows a reduction in the number of drinking places of 5484.

The income received from the traffic under the new law shows an interesting contrast with the income under the old law. For example, for the twelve months ending September 30, 1896, under the old law the income was a little over \$3,000,000 and the cost of collecting it amounted to 8.65 per cent; while the results of one year's experiment from October 1, 1896, to October 1, 1897, under the new law show receipts amounting to over \$12,000,000 and the cost of collecting 2.67 per cent.

Mr. H. H. Lyman, the State Commissioner, discusses the financial results of the year in their relation to New York City, which he says is frequently cited as the one great sufferer from the present system of collecting and distributing the tax. He shows that the net revenue from the tax for the state amounted to \$5,392,275.20, of which the city received two-thirds, or \$3,594,850.13. Deducting the amount which it paid into the state treasury from the sum it received in rebated state taxation on the basis of the equalization table of 1897, there still seems to be a direct benefit to the city of New York in the state treasury, over and above what it pays to the state, a sum amounting to \$45,003.23; while the total benefit to the city revenues under the law amounts to nearly \$5,500,000. The actual number of certificates in force in the city of New York on October 1, 1897, was 7686.

The local option feature under the new law seems to be, in the opinion of the commissioner, much more effectual in reflecting the real sentiment of the several communities than it has been under previous legislation. The present law gives the electors the oppor-

tunity of voting directly and separately upon four questions: First, in relation to selling liquor to be drunk on the premises; second, selling liquor not to be drunk on the premises where sold; third, selling liquor as a pharmacist on physicians' prescriptions; fourth, selling liquor by hotel-keepers. Of the 942 towns in the state 62 voted on these questions in the spring of 1896, and 880 in the spring of 1897. The results show that pretty generally throughout the state the propriety of the sale of liquors by hotels and pharmacists is recognized. While the report shows that there are twenty towns which are less absolutely "no license" towns than when the law took effect, the commissioner states that there are many less saloons and groceries where liquors are dispensed. A summary of the actual vote in the 942 towns is given as follows: For no sales whatever, 263; for sales by pharmacists only, 34; for sales by hotels only, 105; for sales by pharmacists and hotels only, 117; for sales under all four provisions, 359. The balance, 64 towns, is divided variously upon the different questions.

The question has been raised whether under the new law, which seems to have resulted in a diminution of the number of drinking places, there has not been an increased amount of drinking and drunkenness. The records of the office of the secretary of state furnish very meagre statistics upon this point, and the commissioner has found it impossible to obtain any reliable statistics of the kind going back any length of time, because prior to 1895 very few local magistrates kept any permanent or complete records. According to the law of May 23, 1895, the justices of the peace are required to keep a justices' criminal docket, which is open to public inspection. During the month of October, 1897, special agents of the Department of State Excise examined this docket and reported the number of arrests recorded upon charges of "drunk," "drunk and disorderly," "intoxication" and "public intoxication," all being tabulated under the one head for the years 1895, 1896 and 1897, up to and including September 30.

Of course these figures are not absolutely satisfactory indices of local conditions because different localities enforce the statutes against drunkenness and kindred crimes with varying rigor and on diverse theories. The commissioner states that "in some instances the docket records show a tendency on the part of officials to conceal real causes of arrest. Some justices never convict and others always do when warranted by evidence. In some localities drunkenness is hardly considered a crime of which official cognizance should be taken. In others, apparently little heed has been given to the statute requiring the criminal docket to be kept." This investiga-



tion, furthermore, gives the results only of incorporated villages or cities where there are police officials. It may be said, however, that there are apt to be few of the justices of the peace in the towns who have any criminal cases of this character. The figures as collated in this manner show arrests for drunkenness in 1895 to have been 81,893; in 1896, 78,095; in 1897, up to September 30, 59,204. In the forty-one cities of the state the corresponding figures were 72,660; 69,883; 52,689; and, in the 424 incorporated villages, 9,233; 8,212; 6,515, respectively.

**Organized Charity in Washington, D. C.**—Constant progress is being made in the matter of the general charities of the District. Two years ago the associated charities was re-organized on the principles of the charity organization societies in Boston, New York, Baltimore, etc., and became an organization of administration; last year, upon request by this society, a citizens' central relief committee was appointed by the commissioners of the District, that there might be a source of relief for miscellaneous cases applying to the associated charities, and for whom no other resource could be found; this year the commissioners have decided that the Police Department shall discontinue the distribution of relief. Before coming to this decision a conference was held with a number of the leading citizens, who strongly advocated the separation of relief-giving from the police. The money—\$1,000 or \$2,000—which formerly was given to the police to distribute, and which is the interest on surplus money contributed to two inaugural funds by citizens of the District, and is therefore not public money raised by taxation, will be given to the citizens' central relief committee. These two citizens' organizations, together with the public office of superintendent of charities, the incumbent of which has general supervision as a public official over all institutions receiving public revenues, form the basis of a clear, distinct and comprehensive general system of charities.

**The Federation of Churches and Christian Workers in New York City.**—This organization was formed in 1895. It aims: (1) at undenominational co-operation in accumulating data to direct the extension of the Kingdom of God in New York City; (2) undenominational community in the knowledge acquired; (3) the improvement of the denominational care of the city; (4) the improvement of the service rendered to the districts investigated by the churches and charities within them by the formation of auxiliaries locally administered; (5) undenominational expression of opinion and action; (6) the inauguration of such other work as cannot better be done by some agency other than the Federation.

In 1896 seven churches united in making a house-to-house canvass of Assembly District No. 15 in New York city, which contains a population of 40,000 persons. The district lies between Forty-third and Fifty-third streets and runs irregularly from Eighth avenue to the Hudson river. Rev. Walter Laidlaw was engaged by the Federation to draw up the schedules, superintend the staff of enumerators, and prepare a full report based on the returns. That report, published over a year ago, contains a very detailed statement of the social conditions in that district. The statistics are ingeniously illustrated by diagrams and charts, and the results have been utilized in very materially increasing the efficiency of a number of agencies for social reform working in that section of the city. It is announced that eight churches are making a house-to-house investigation of Assembly District No. 17 and that they have divided it among them as permanent special parishes.

The second report recently issued, however, deals with the Nineteenth Assembly District. It is a tenement-house section lying between Sixtieth and Sixty-eighth streets and between Columbus avenue and the Hudson river, and containing a population of 19,717 persons. The report covers statistics on: (1) Family, Age and Sex; (2) Public and Sunday Schools; (3) Churches and Denominations; (4) Housing and Overcrowding; (5) Economics. This work was also conducted by Rev. Walter Laidlaw under the direction of an Investigation Committee composed of Robert Graham, Chairman; C. Loring Brace, Edward T. Devine, Ph. D., Homer Folks, Professor Franklin H. Giddings, E. R. L. Gould, Ph. D., R. R. McBurney, Professor Richmond Mayo-Smith, Jacob A. Riis, Rev. Josiah Strong, D. D., William Howe Tolman, Ph. D., and Spencer Trask, Ex-officio.

The whole report covers one hundred and sixteen pages, including a large number of texts devoted to a discussion of the tables of statistics and diagrams. The material is divided into several chapters:

- I. Family Statistics of the Tenement House Regions of the Nineteenth District.
- II. Age and Sex Classification.
- III. Public School Statistics.
- IV. Sunday School Statistics.
- V. Religious Statistics.
- VI. Denominational Statistics.
- VII. Housing Statistics.
- VIII. Economic Statistics, which is chiefly a discussion of wages.
- IX. Environment for Good and Evil and Organization for Social Evolution.

These reports should serve as models for the dissemination of similar information by churches and philanthropic bodies in connection with work in all our large cities. Without such information this work is apt to prove aimless and wholly inefficient; but with intelligent use of such material as is presented in this report, the usefulness of social reform efforts might easily be increased many fold.

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JANUARY 25, 1898.

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- Art and Life, and the Building and Decoration of Cities. A Series of Lectures by Members of the Arts and Crafts Exhibition Society. London: Rivington & Percival. 6s.
- Bliss, W. D. P. (Editor), *Encyclopedia of Social Reform*. Funk & Wagnalls. \$7.50.
- Brinton, D. G., *The Religions of Primitive Peoples*. Putnam. \$1.50.
- Brown, John, *Parasitic Wealth or Money Reform*. Chicago: Kerr. \$1.00.
- Chance, W., *Children Under the Poor Law, Their Education, Training and After-Care*. London: Sonnenschein. 7s. 6d.
- Channing, Edward, *Students' History of the United States*. Macmillan. \$1.40.
- Chapman, J. W., Jr., *State Tax Commissions in the United States*. Johns Hopkins University Studies. \$0.50.
- Cleveland, Grover, *The Self-Made Man in American Life. Address Delivered at Princeton University upon the Occasion of its 151st Anniversary*. Crowell. \$0.35.
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- Cournot, Augustin, *Researches into the Mathematical Principles of the Theory of Wealth*. Macmillan. \$0.75.
- Crooker, J. H., *The Growth of Christianity*. Chicago: Western Unitarian Sunday-School Society.
- Dole, C. F., *The Coming People*. Crowell. \$1.00.
- Douglass, Wm., *A Discourse Concerning the Currencies of the British Plantations in America*. (Economic Studies, Vol. II, No. 5.) Macmillan. \$0.50.
- Eckert, C., *Der Fronbote im Mittelalter. Inaugural Dissertation zur Erlangung der Juristischen Doktorwürde der Hohen Juristischen Fakultät zu Giessen*.
- Edwards, Clement, *Railway Nationalization*. London: Methuen. 2s. 6d.
- Egerton, H. E., *A Short History of British Colonial Policy*. London: Methuen. 12s. 6d.
- Eliot, C. W., *American Contributions to Civilization*. Century Co. \$2.00.
- Fisher, I., *A Brief Introduction to the Infinitesimal Calculus*. Macmillan. \$0.75.
- Fourth Annual Report on Changes in Wages and Hours of Labor in the United Kingdom, 1896. London Board of Trade. 1s. 6d.
- Gewerbewesen der Stadt Mannheim nach der Erhebung vom 14 Juni, 1895. Mannheim: Dr. Haas' sche Druckerei.
- Guernsey, R. S., *Taxation and its Relations to Capital and Labor*. Prepared at Request of New York State Tax-Payers' Protective Association.
- Haight, W. C., *The Binding Effect of the Ordinance of 1787*. Michigan Political Science Association. \$0.50.
- Haines, H. S., *American Railway Management*. Wiley & Sons. \$2.50.
- Hammond, M. B., *The Cotton Industry*. (American Economic Association Publications, New Series, No. 1.) Macmillan. \$1.50.
- Handbook of Canada. (British Association for the Advancement of Science.—Toronto Meeting, 1897.)
- Harris, Geo., *Inequality and Progress*. Boston: Houghton, Mifflin. \$1.25.
- Hassall, A., *A Handbook of European History, 476-1871*. Macmillan. \$2.25.
- Hazen, C. D., *Contemporary American Opinion of the French Revolution*. Johns Hopkins Studies in Historical and Political Science. \$2.00.

- Heitz, E., *Neue Grundsätze der Volkswirtschaftslehre*. Stuttgart: W. Kohlhammer. 4<sup>th</sup>.
- Heyer, G., *Die Standesherrn des Grossherzogtums Hessen und ihre Rechtsverhältnisse in Geschichte und Gegenwart*. Universität zu Giessen.
- Hucke, J., *Die Geld-Verrichtungen in der Preis-, Lohn- und Zinsgestaltung*. Berlin: Mitscher & Röstell. 3.20<sup>MM</sup>.
- Johnston, H. P., *The Battle of Harlem Heights, September 16, 1776*. Macmillan. \$2.00.
- Jung, R., *Delikt und Schadensverursachung*. Universität zu Giessen.
- Kauser und Jakstein, *Die Gewährung von Wohnungsmiete als Art der Armenunterstützung*. (Schriften des deutschen Vereins für Armenpflege und Wohltätigkeit. Heft XXXI.) Leipzig: Duncker & Humblot.
- Kerby, W. J., *Le Socialisme aux Etats-Unis*. (Ecole des Sciences politiques et sociales de Louvain.) Bruxelles: J. Goemaere.
- Kreditinstitute der Länder der Ungarischen Krone im Jahre 1894. Band XVI. Budapest: Ungarische Statistische Bureau. 4 Gulden.
- Labour Annual for 1898. Liverpool: Joseph Edwards. 11.
- Laws Enacted by the Legislature of 1897, Affecting the Municipality of Detroit. Detroit: Thomas Smith Press.
- Macdonald, William (Editor), *Select Documents Illustrative of the History of the United States, 1776-1861*. Macmillan. \$2.25.
- McCrary, Edward, *The History of South Carolina Under the Proprietary Government, 1670-1719*. Macmillan. \$3.50.
- Meitzen, A., *Die Flur Thalheim als Beispiel der Ortsanlage und Feldeintheilung im Siebenbürger Sachsenlande*. Hermannstadt: M. Kraft.
- Mikhailowsky, N., *Qu'est-ce que le progres? Examen des idées de Herbert Spencer*. Paris: Alcan. 2.50<sup>fr</sup>.
- Report of the Chief Labour Correspondent on the Strikes and Lockouts of 1896. London Board of Trade. 11. 2d.
- Rhys-Davids, T. W., *Buddhism, Its History and Literature*. Putnam. \$1.50.
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- Soulier, H., *Des Origines et de l'état social de la Nation française*. Paris: Giard & Brière. 10<sup>fr</sup>.
- Stickney, A., *State Control of Trade and Commerce by National or State Authority*. Baker, Voorhis & Co. \$2.25.
- Swank, J. M., *Notes and Comments on Industrial, Economic, Political and Historical Subjects*. Philadelphia: American Iron and Steel Association. \$2.00.
- Thurston, L. A., *A Hand-Book on the Annexation of Hawaii*. St. Joseph, Mich.: A. B. Morse Co.
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- Willcox, W. F., *Density and Distribution of Population in the United States at the Eleventh Census*. (Economic Studies, Vol. II, No. 6.) Macmillan. \$0.50.
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- Wyckoff, W. A., *The Workers*. Scribners. \$1.25.
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- Zur Litteratur der Staats- und Socialwissenschaften der Letzten 25 Jahre*. Leipzig: Duncker & Humblot.